

Procedure file

Basic information		
NLE - Non-legislative enactments Decision	2018/0093(NLE)	Procedure completed
EU/Singapore Free Trade Agreement		
Accompanying procedure	2018/0093M(NLE)	
Subject	6.20.03 Bilateral economic and trade agreements and relations	
Geographical area	Singapore	

Key players				
European Parliament	Committee responsible	Rapporteur	Appointed	
	 International Trade		16/05/2018	
		S&D MARTIN David		
		Shadow rapporteur		
		PPE KELLY Seán		
		ECR KAMALL Syed		
		ALDE TREMOSA I BALCELLS Ramon		
		GUE/NGL MINEUR Anne-Marie		
		Verts/ALE JADOT Yannick		
		EFDD BEGHIN Tiziana		
Council of the European Union	Council configuration	Meeting	Date	
	Economic and Financial Affairs ECOFIN	3725	08/11/2019	
European Commission	Commission DG	Commissioner		
	Trade	MALMSTRÖM Cecilia		

Key events			
18/04/2018	Preparatory document	COM(2018)0196	Summary
02/10/2018	Legislative proposal published	07971/2018	Summary
22/10/2018	Committee referral announced in Parliament, 1st reading/single reading		
24/01/2019	Vote in committee, 1st reading/single reading		
30/01/2019	Committee report tabled for plenary, 1st reading/single reading	A8-0053/2019	Summary
12/02/2019	Debate in Parliament		
13/02/2019	Decision by Parliament, 1st reading/single reading	T8-0088/2019	Summary
08/11/2019	Act adopted by Council after consultation of Parliament		

08/11/2019	End of procedure in Parliament		
14/11/2019	Final act published in Official Journal		

Technical information

Procedure reference	2018/0093(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legislative instrument	Decision
Legal basis	Treaty on the Functioning of the EU TFEU 100-p2; Treaty on the Functioning of the EU TFEU 218-p6a; Treaty on the Functioning of the EU TFEU 091; Treaty on the Functioning of the EU TFEU 207; Treaty on the Functioning of the EU TFEU 218-p7
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/12824

Documentation gateway

Document attached to the procedure	COM(2018)0197	18/04/2018	EC	
Preparatory document	COM(2018)0196	18/04/2018	EC	Summary
Legislative proposal	07971/2018	02/10/2018	CSL	Summary
Document attached to the procedure	07972/2018	02/10/2018	CSL	
Committee draft report	PE627.711	16/10/2018	EP	
Amendments tabled in committee	PE630.474	13/11/2018	EP	
Committee report tabled for plenary, 1st reading/single reading	A8-0053/2019	30/01/2019	EP	Summary
Text adopted by Parliament, 1st reading/single reading	T8-0088/2019	13/02/2019	EP	Summary

Additional information

Research document	Briefing
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Final act

[Decision 2019/1875](#)
[OJ L 294 14.11.2019, p. 0001](#) Summary

2018/0093(NLE) - 18/04/2018 Preparatory document

PURPOSE: to conclude the Free Trade Agreement between the European Union and Singapore.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the dynamically growing Southeast Asian economies, with their over 600 million consumers and a rapidly rising middle class, are key markets for European Union exporters and investors. With a total EUR 208 billion of trade in goods and EUR 77 billion of trade in services (2016), the Association of Southeast Asian Nations (ASEAN) taken as a whole is the EU's third largest trading partner outside Europe, after the US and China.

Within the ASEAN, Singapore is by far the EU's largest partner.

On 23 April 2007, the Council authorised the Commission to enter into negotiations for a region-to-region Free Trade Agreement (FTA) with Member States of the ASEAN. On 12 September 2011, the Council authorised the Commission to extend the on-going negotiations with Singapore to cover also investment protection, based on a new EU competence under the Lisbon Treaty.

On the basis of the negotiating directives adopted by the Council in 2007, and supplemented in 2011 to include investment protection, the Commission has negotiated with Singapore an ambitious and comprehensive FTA and an Investment Protection Agreement (IPA), with a view to creating new opportunities and legal certainty for trade and investment between both partners to develop.

CONTENT: the Commission called on the Council to adopt the Decision to conclude the Free Trade Agreement between the European Union and Singapore. In line with the objectives set by the negotiating directives, the Commission secured the following:

- Liberalisation of services: the FTA includes the comprehensive liberalisation of services and investment markets, including cross-cutting rules on licensing and for the mutual recognition of diplomas, and sector specific rules designed to ensure a level playing field for EU businesses.
- Procurement: it also lays down new tendering opportunities for EU bidders, and especially in the utilities market where there are many leading EU suppliers.
- Trade barriers: the FTA removes technical and regulatory trade barriers to trade in goods, such as duplicative testing, in particular by promoting the use of technical and regulatory standards familiar in the EU in the sectors of motor vehicles, electronics, pharmaceuticals and medical devices as well as green technologies. Based on international standards, a more trade-facilitative regime for the approval of European meat exports to Singapore. Singapore's commitment not to raise its tariffs (which are currently mostly not applied on a voluntary basis) on imports from the EU, as well as cheaper access of European businesses and consumers to products made in Singapore.
- GI protection: a TRIPs-plus level of protection to EU GIs following their registration in Singapore once Singapore has established a GI register has been proposed.
- Sustainable development: the FTA includes a comprehensive chapter on trade and sustainable development, which aims at ensuring that trade supports environmental protection and social development and promotes the sustainable management of forests and fisheries. The chapter also sets out how social partners and civil society will be involved in its implementation and monitoring.
- Dispute mechanism: a swift dispute resolution mechanisms is proposed through either panel arbitration or with the help of a mediator.
- Investment protection: the EU-Singapore Investment Protection Agreement (IPA) will ensure a high level of investment protection, while safeguarding the EU's and Singapore's rights to regulate and pursue legitimate public policy objectives such as the protection of public health, safety and the environment.

Trade committee: the institutional chapter of the FTA establishes a trade committee that has as its main task to supervise and facilitate the implementation and application of the agreement. It shall be comprised of representatives of the EU and of Singapore who will meet every two years or at the request of either side.

BUDGETARY IMPLICATIONS: the EU-Singapore FTA will have a financial impact on the EU budget on the side of the revenues. It is estimated that foregone duties could reach an amount of EUR 248.8 million upon full implementation of the agreement. The estimate is based on average imports projected for 2025 in the absence of an agreement and represents the annual loss in revenues resulting from the elimination of EU tariffs on imports from Singapore. The EU-Singapore IPA is expected to have a financial impact on the EU budget on the side of the expenditures. The agreement will be the EU's second (after the EU-Canada Comprehensive Economic and Trade Agreement) to incorporate the Investment Court System (ICS) for the resolution of disputes between investors and states. An amount of EUR 200 000 of additional yearly expenditure is foreseen from 2018 onwards (subject to the entry into force of the agreement) to finance the permanent structure comprising a First Instance and an Appeal Tribunal.

2018/0093(NLE) - 02/10/2018 Legislative proposal

PURPOSE: to approve the conclusion, on behalf of the Union, of the Free Trade Agreement between the European Union and the Republic of Singapore.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: the Council can adopt the act only if the European Parliament has approved it.

BACKGROUND: in accordance with a Council decision, a Free Trade Agreement (FTA) between the European Union and the Republic of Singapore has been signed.

The fast-growing Southeast Asian economies, with their 600 million consumers and a rapidly rising middle class, are key markets for European Union exporters and investors. With a total EUR 208 billion of trade in goods and EUR 77 billion of trade in services (2016), the Association of Southeast Asian Nations (ASEAN) taken as a whole is the EU's third largest trading partner outside Europe, after the US and China.

Within the ASEAN, Singapore is by far the EU's largest trade partner, accounting for just under a third of EU-ASEAN trade in goods and services and about two-thirds of investment between the two regions.

CONTENT: the Council's draft decision aims to approve, on behalf of the Union, the Free Trade Agreement between the European Union and the Republic of Singapore.

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

In accordance with the objectives set by the negotiating directives, the FTA provides for:

- the comprehensive liberalisation of services and investment markets, including cross-cutting rules on licensing and for the mutual recognition of diplomas, and sector specific rules designed to ensure a level playing field for EU businesses;
- new tendering opportunities for EU bidders;
- the removal of technical and regulatory trade barriers to trade in goods, in particular by promoting the use of technical and regulatory standards familiar in the EU in the sectors of motor vehicles, electronics, pharmaceuticals and medical devices as well as green

technologies;

- based on international standards, a more trade-facilitative regime for the approval of European meat exports to Singapore;
- Singapore's commitment not to raise its tariffs (which are currently mostly not applied on a voluntary basis) on imports from the EU, as well as cheaper access of European businesses and consumers to products made in Singapore;
- a high level protection of intellectual property rights;
- a TRIPS-plus level of protection to EU geographical indications (GI) following their registration in Singapore once Singapore has established a GI register (which it has committed to do following the European Parliament's consent to the FTA);
- a comprehensive chapter on trade and sustainable development, which aims at ensuring that trade supports environmental protection and social development and promotes the sustainable management of forests and fisheries;
- a swift dispute resolution mechanism through either panel arbitration or with the help of a mediator; and
- a comprehensive and novel chapter to promote new opportunities in the green growth sector.

The institutional chapter of the FTA establishes a trade committee that has as its main task to supervise and facilitate the implementation and application of the agreement. It shall be comprised of representatives of the EU and of Singapore who will meet every two years or at the request of either side. It will be in charge of supervising the work of all specialised committees established under the agreement (Committee on Trade in Goods; Committee on Sanitary and Phytosanitary Measures; Committee on Customs; and Committee on Trade in Services, Investment and Government Procurement).

The Council will authorise the Commission to approve, on behalf of the Union, the position to be taken within the trade committee on certain amendments to the Agreement to be adopted by a simplified procedure (amendments and rectification regarding system of protection of geographical indications, and modification of the list of geographical indications).

2018/0093(NLE) - 30/01/2019 Committee report tabled for plenary, 1st reading/single reading

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

The committee recommended that the European Parliament give its consent to conclusion of the agreement.

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

Increased trade flows with Singapore must go hand in hand with increased level of labour and environmental protection, promote EU values and uphold EU standards. All this has been ensured in the free trade agreement.

2018/0093(NLE) - 13/02/2019 Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 425 votes to 186, with 41 abstentions, a legislative resolution on the draft Council decision on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore.

Parliament gave its consent to conclusion of the agreement. It also adopted a [non-legislative resolution](#) on the draft Council Decision on the conclusion of the 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.