

# Long-awaited trade agreement between Europe and Singapore finally enters into force.

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After being approved by the European Parliament and the Member States, the trade agreement between the European Union and Singapore entered into force on 21 November. This trade agreement is an important milestone for the EU and its growing commitment to the promotion of free trade with its Asian and ASEAN partners. The EU currently has trade agreements in place with Japan and South Korea, while the one with Vietnam is awaiting ratification. Trade talks with the Philippines and Indonesia are still underway, while those with Thailand and Malaysia are on hold.

However, welcoming Singapore into the larger European trade network is a particularly significant milestone. The city-state is by far the EU's largest trading partner in Southeast Asia with bilateral trade worth over one hundred billion euros when accounting for trade in goods and services. Singapore is also the main hub for the whole Pacific region for over 10,000 EU companies. European investors also chose Singapore as their number one priority in Asia and bilateral investments over the last few years show no sign of stopping: combined investment stocks reached 344 billion euros in 2017.

The trade agreement will remove all remaining tariffs on EU products and offer new opportunities for EU services providers. The overall regulatory revision will remove bureaucratic obstacles to trade, but also include legal protection for European food and drinks qualified for the Geographical Indication scheme. It is understood that such protection is paramount for typical Italian products. The Investment Protection Agreement, replacing the plethora of previous agreements, will ensure a high level of investment protection and streamline the legal framework for investors of both European and Singaporean citizens.

Commissioner for Trade Cecilia Malmström said: "The EU-Singapore trade agreement - effective as of today - will boost trade, benefitting companies, farmers, workers and consumers on both sides. It will also become a gateway to the fast-growing Southeast-Asian region. At a time when the fundamentals of open and rules-based global trade are put into question, we need agreements like this more than ever. The EU-Singapore deal is the 16th trade agreement we have put in place since 2014. We have now the largest trade network in the world, including 42 trade agreements with 73 partners."

Italy and Singapore enjoy an already close trade relationship, and the trade agreement will significantly boost it. Singapore is Italy's 34th biggest trade partner outside the EU, with an overall trade value close to 2,5 billion euros. The 8,281 Italian companies exporting to Singapore will undoubtedly be the main beneficiaries of this new development.

