

SINGAPORE-AUSTRALIA

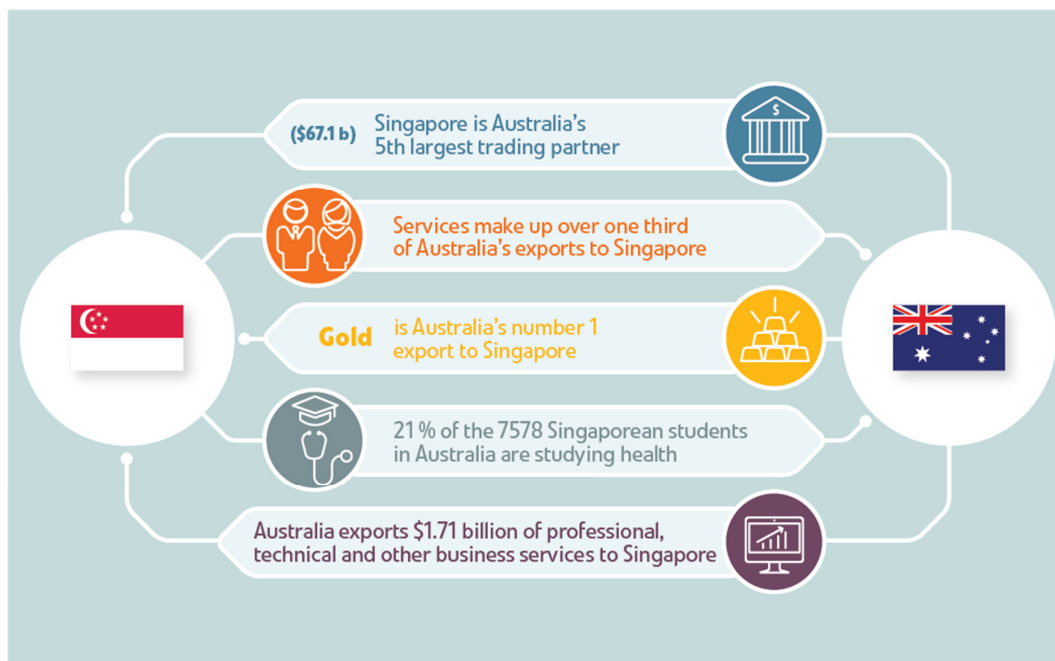
FREE TRADE AGREEMENT



Embargoed until 13 October 2016 12:00

Outcomes at a Glance

The Singapore-Australia Free Trade Agreement (SAFTA), which entered into force in 2003, is Australia's second oldest FTA. It is the central pillar of Australia's economic relationship with Singapore, and has already delivered substantial benefits for exporters, such as complete tariff elimination, underpinning Singapore's position as Australia's fifth largest trading partner. The Australia-Singapore Comprehensive Strategic Partnership, which was announced in 2015, provided the impetus to modernise SAFTA. The result is a comprehensive update, with new market access underpinned by new rules providing greater certainty for exporters of goods, services and investment. The Agreement to Amend SAFTA was signed on 13 October 2016. The amendments will enter into force once both countries have completed their domestic treaty processes.



For Services Suppliers

SAFTA's services chapters have been comprehensively updated to better protect and promote the interests of service suppliers and governments in the 21st century. Building upon FTA best practice, these changes will reduce red tape and promote regulatory coherence.

Professional Services: SAFTA will provide greater certainty for Australian lawyers and law firms operating in Singapore. Australia has locked in existing opportunities in the legal sector, including the ability for Australian lawyers to practise Singapore law and to work in international commercial arbitration. Australia will also benefit from future market reforms in Singapore's legal sector, which will automatically become SAFTA commitments, putting Australians on an equal footing with their foreign competitors. Australia and Singapore will establish a framework to support mutual recognition of professional qualifications. Priority will be given to arrangements for

engineers and accountants, with Singapore and Australia agreeing to commence negotiations on Mutual Recognition Arrangements (MRAs).

Education: SAFTA will enhance opportunities for Australia's world-class education exports through increased recognition of Australian tertiary qualifications. In particular, Singapore has agreed to recognise the Juris Doctor degrees of Australian universities currently listed in SAFTA, providing access for those universities which have moved to a graduate model of legal education, such as the University of Melbourne and the University of Western Australia. Separately, Singapore will recognise allied health degrees from a number of Australian universities.

Financial Services: Financial service providers will be able to provide a range of financial services on a cross-border basis. This includes investment advice and portfolio management services and brokerage services for insurance of maritime, aviation and transport-related risks.

E-commerce and telecommunications: These chapters have been updated to meet better the needs of modern business. This includes commitments on the free flow of data across borders for service suppliers and investors as part of their business activity, and on not imposing customs duties on digital products. Consumers will benefit from a mechanism to promote transparent and reasonable rates for international mobile roaming services, and commitments to protect privacy and consumer rights.

For Investors

SAFTA's Investment Chapter has been revised to incorporate a set of modern rules governing the treatment of investors and their investments. This includes modernising the investor-state dispute settlement (ISDS) mechanism to incorporate more explicit safeguards to protect the Government's right to regulate in the public interest. Australia will raise the FIRB screening threshold for private Singaporean investment in non-sensitive sectors from \$252 million to \$1094 million, consistent with the approach taken in the TPP and North Asian FTAs.

Mobility of Business Persons

SAFTA will provide greater certainty to Australian and Singaporean service suppliers seeking to enter and work temporarily in each country's market. Singapore and Australia have made commitments on work rights on a reciprocal basis. Australians will enjoy:

- longer lengths of stay for independent executives, contractual service suppliers and their families (up from three months to two years)
- longer lengths of stay for intra-corporate transferees and their families (up from two years to three years)
- certainty on entry and length of stay for installers and servicers of machinery and equipment
- access to a help desk and streamlined processes to facilitate temporary entry and work permits for Australian business people.

For Goods Exporters

To complement existing duty-free access for Australian goods, the Rules of Origin Chapter will now include a full schedule of product specific rules of origin, which will provide flexibility to meet the requirements to claim preferential treatment in each other's markets. SAFTA will adopt a self-certification process, meaning an importer, exporter or producer can self-certify that the good meets the applicable rule of origin for the good.

Government Procurement

Australian companies are already winning high-value contracts with the Singapore Government, and SAFTA will lock in these opportunities in sectors such as road transport, construction and engineering. The Government Procurement Chapter has also been modernised to reflect better current procurement practices, including to protect government policies aimed at encouraging access to government contracts for indigenous firms and small and medium-enterprises.

For further information on the SAFTA outcomes, refer to the following sectoral fact sheets: [Goods Outcomes](#), [Services Outcomes](#), [Investment Outcomes](#).