



Australian Government
Department of Foreign Affairs and Trade



AUSTRALIA-SINGAPORE COMPREHENSIVE STRATEGIC PARTNERS



**OVER \$2BN
INVESTMENT
IN NORTHERN
AUSTRALIA**

SINGAPORE IS AUSTRALIA'S FIFTH-LARGEST TRADING PARTNER WITH TWO-WAY TRADE WORTH \$28.5 BILLION IN 2014-15. WE SHARE A CLOSE STRATEGIC RELATIONSHIP; SINGAPORE IS ONE OF OUR MOST LONGSTANDING DEFENCE PARTNERS IN THE REGION.

On 6 May 2016, Australia and Singapore announced a new package of initiatives to advance the Comprehensive Strategic Partnership (CSP) that was first announced by the Prime Ministers of the two countries at the 50th anniversary of diplomatic relations in 2015.

These wide-ranging initiatives will continue to elevate Australia's partnership with Singapore, building on existing areas of cooperation while also driving new ones.

**MORE INFORMATION:
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Key initiatives

The Singapore-Australia Free Trade Agreement (SAFTA) was signed in 2003. It has been upgraded to reflect the increasingly global, competitive and connected business environment and builds on the Trans-Pacific Partnership (TPP) Agreement, which Singapore and Australia have also signed. It will further integrate our two economies by locking in access and providing business certainty in trade and investment into the future.

Importantly, the agreement further strengthens Australia and Singapore's already strong defence partnership. Building on our existing defence cooperation, the Singapore Armed Forces (SAF) will benefit from increased access to Australian military training areas, including Singaporean military personnel participating in training in Australia each year. This will bring us closer as defence partners and generate significant local economic activity in Queensland.

Our National Innovation and Science Agenda will be further boosted by greater collaboration between our key agencies such as CSIRO and Singapore's A*Star and through business to business research.

Australia will locate one of its five start-up "landing pads" in Singapore to promote innovation and entrepreneurship. This initiative will support emerging Australian technology companies to gain a foothold in Singapore, and the wider Asian market.

The Singapore-Northern Australia Agribusiness Development Partnership will involve an ongoing program of activities focused on encouraging and attracting Singaporean investment to develop northern Australia.

Australia and Singapore have committed to an ongoing program of cultural activities to further develop our people to people links.

Australian and Singapore have agreed to establish a Work and Holiday Programme for young people to experience each other's country and supplement their holiday and cultural experience with short term work.

Tourism cooperation between Australia and Singapore will be enhanced by sharing research, data and market insights.

A modern, forward-looking trade agreement:

Outcomes for Australia from the Third Review of the Singapore-Australia Free Trade Agreement*

Singapore and Australia are open markets, enjoying a substantial trade and investment relationship. The Third SAFTA Review will lock in access, providing business with certainty to trade and invest into the future. It will address long-standing 'behind the border' issues of interest to Australian services providers, in areas such as education, labour mobility and professional services. In a number of these areas, Singapore has offered Australia better commitments than it has previously offered to any other trading partner.

Services

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 to practice Singapore law and to work in international commercial arbitration. Australia will also benefit from future market reforms in Singapore's legal sector, which will become SAFTA commitments.

Australia and Singapore will establish a professional services framework under SAFTA 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 Australian world-class education exports through increased recognition of Australian tertiary qualifications in law, medicine and allied health. In particular:

- In recent years, there has been a shift towards offering legal education through a graduate model in Australia. In view of this development, Singapore has agreed to recognise the *Juris Doctor* degrees of Australian universities currently listed in SAFTA, providing renewed access for those universities who have moved to a graduate model of legal education.
- Singapore has agreed to recognise postgraduate medical degrees from the Australian National University and University of Queensland.
- Singapore has agreed to recognise 15 allied health qualifications in physiotherapy, occupational therapy and speech therapy from a number of Australian universities.

SAFTA will also facilitate improved operating conditions for Australian universities with a campus in Singapore. In particular:

- JCU Singapore will now be able to brand itself as the Singapore campus of James Cook University. This was not previously possible in Singapore, where JCU was required to call itself "James Cook Australia Institute of Higher Learning."
- Singapore has also committed to develop a process for future requests by Australian universities to use the term "University" for a campus in Singapore and to consider feedback on regulatory processes.

Financial Services

Singapore has guaranteed that Australian 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.

* Outcomes subject to completion of text and legal review.



SAFTA WILL FURTHER INTEGRATE OUR TWO ECONOMIES BY LOCKING IN ACCESS AND PROVIDING BUSINESS CERTAINTY IN TRADE AND INVESTMENT INTO THE FUTURE.

Temporary Entry of Business Persons

The ability for business persons to move across borders is an integral feature of modern business and a crucial contributor to the growth of commercial relationships. SAFTA commitments on the temporary entry of business persons will support greater trade and investment opportunities between Australia and Singapore.

Australian business people will benefit from greater certainty regarding the ability to enter and work temporarily in Singapore with reduced barriers to labour mobility. Singapore will provide new guaranteed access for Australians to stay and work in Singapore in the following categories:

- Australian independent executives and contractual service suppliers, up from three months to two years;
- Australian intra-corporate transferees, up from two years to three years with a new maximum stay of 15 years;
- Australians offering services relating to installation and servicing of machinery and equipment for up to three months; and
- Spouses and dependants of Australians granted entry as intra-corporate transferees, independent executives and contractual service suppliers.

Singapore will also establish a help desk and streamlined processes for Australian business people seeking to enter and work in Singapore.



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Government Procurement

Australian companies are winning contracts in Singapore. SAFTA will provide business greater certainty by locking in opportunities for Australian businesses to bid for valuable government procurement contracts, including in lucrative sectors such as road transport, construction and engineering services. The modernised chapter also better reflects our current procurement practices, including policies to encourage indigenous businesses, and small and medium enterprises.

Investment

The Investment Chapter has been updated to incorporate a set of high-quality, modern rules governing the treatment of investors and their investments. This includes updating and modernising SAFTA's existing investor-state dispute settlement (ISDS) mechanism to incorporate robust safeguards to preserve the right of the Government to continue regulating in the public interest.

Goods

Australia already enjoys duty free access to the Singapore market for our goods exports. The TPP's Technical Barriers to Trade Chapter Annexes on wine and distilled spirits, cosmetics, medical devices and pharmaceuticals will be incorporated into SAFTA to reduce red tape and promote greater regulatory coherence.

Reducing red tape for investors and exporters

Australia will soon have five trade agreements with Singapore:

- The World Trade Organization (WTO) Agreement, the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA), and SAFTA, each of which has entered into force; and
- The Trans-Pacific Partnership (TPP) Agreement (signed) and the Regional Comprehensive Economic Partnership (RCEP) (under negotiation).

The outcomes of the SAFTA review will make it simpler for exporters and investors to capture the benefits of the existing trade agreements Australia has with Singapore. The best outcomes will be contained in SAFTA, including harmonised rules of origin and investment thresholds and outcomes from the TPP, which Australia and Singapore have agreed to incorporate into SAFTA.

Next Steps

To formalise these new initiatives under the CSP, officials will continue technical work to prepare complete text for legal review and consideration and approval by both countries consistent with their respective domestic processes.

