



Mr. Karel De Gucht
European Commissioner for Trade
European Commission
200, rue de la Loi
B-1049 Brussels
Belgium

14 March 2012

Dear Commissioner,

The negotiations between the European Union and Singapore are moving towards the conclusion of an ambitious free trade agreement. The tenth negotiating round that will take place in the week of 19 March 2012 is crucial towards this achievement, as we understand that, in the framework the ASEAN-EU Trade Ministers meeting and 2nd ASEAN-EU Business Summit on 1st April 2012, you will have an opportunity to meet with your counterpart from Singapore, Lim Hng Kiang, Minister for trade and industry.

We would like to take this opportunity to reaffirm our support for the swift conclusion of these negotiations. Singapore is an important player in South East Asia with a crucial harbour and financial and services hub, making it an important getaway for our companies to do business in the ASEAN. Singapore has already signed many FTAs of high level quality with trading partners in the region but also with the United States of America.

We strongly encourage you to obtain as far as possible parity in the level of commitments with Singapore FTAs. The negotiations a good set of rules of origin and cumulation will be important for European businesses on this market so as to ensure that Singapore is not used by neighbouring producers as an exporting hub. The possible cumulation rules should therefore not affect negatively the future negotiations with other ASEAN countries.

Singapore is essentially a services economy, which serves not only the city-state but also the whole ASEAN region. We would like to emphasise the necessity to bind better market access in all services sectors and in particular in financial services and in legal services.



We call on you to ensure open access to the legal services and banking services domestic market, but more importantly to improve opportunities to provide international legal services and wholesales financial services for corporate banking and asset management that are still impeded by many barriers.

Although the domestic market is of relatively limited size, it will be important to set a benchmark for ambitious access and transparency disciplines in public procurement with Singapore. We call upon you to ensure that the negotiations result in a significant expansion of procurement opportunities from all procuring entities. Increasing transparency in the award of government tenders will also help to create new opportunities for European companies.

Finally, given the significant investment interests that the EU has in Singapore, it is important to negotiate a state-of-the-art investment protection chapter as part of the FTA that will provide as good if not better protection than existing Member State bilateral investment treaties (BITs), as I mentioned to you in my letter of 15 February 2012 (see at annex).

We hope that these negotiations will be concluded by the end of this semester and will open the way for new negotiations with other ASEAN countries. We are already following closely the negotiations with Malaysia and hope that the various scoping exercises that are currently underway will soon be transformed into proper negotiations.

To conclude I would like to underline that the size of the Singaporean domestic market is really different from most of its neighbours, and therefore should the EU-Singapore FTA not deliver sufficient level of openness for whatever political or economic reason, it should be clearly stated in any scoping exercise that this should not be used as a precedent by other ASEAN countries.

Sincerely yours,

Philippe de Buck