

SINGAPORE AND TURKEY SIGN INVESTMENT GUARANTEE AGREEMENT

Singapore and Turkey signed an Investment Guarantee Agreement (IGA) today. The agreement was signed by Mr Lim Hng Kiang, Minister for Trade and Industry, Singapore, and Mr Binali Yildirim, Minister of Transport and Communications, Turkey.

2. The IGA demonstrates the growing bilateral relations between the two countries and is a reflection of the two Governments' will to strengthen the mutual ties in various fields. It will serve to increase investor confidence and encourage companies from Singapore and Turkey to venture into each other's countries.

3. The IGA sets out a framework for investment norms and protection when investing in the other country. The key provisions of the agreement include:

- Most favoured nation treatment and national treatment to be accorded to investments (whichever is more favourable, subject to domestic laws and regulations);
- Free transfer of profits and returns as well as free transfer of compensation in the event of expropriation and nationalisation; and
- Referral of investment disputes that cannot be settled to a court, the International Centre for Settlement of Investment Disputes, established by the Convention on the Settlement of Investment Disputes between the States and Nationals of Other States, or to ad-hoc arbitration.

4. Economic relations between both countries have further developed, with bilateral trade amounting to \$1.04 billion in 2007, a 32% increase from 2006.

**MINISTRY OF TRADE AND INDUSTRY, REPUBLIC OF SINGAPORE
19 FEBRUARY 2008**