

## **SINGAPORE AND RUSSIA SIGN INVESTMENT PROMOTION AND PROTECTION AGREEMENT**

Singapore and Russia signed an Investment Promotion and Protection Agreement (IPPA) today. The Agreement was signed by Minister of State for Trade & Industry and Manpower, Lee Yi Shyan and Russian Deputy Minister for Economic Development, Andrey Slepnev. The signing took place at the sidelines of the inaugural Russia-Singapore Intergovernmental Commission meeting.

2. The IPPA will further strengthen bilateral economic relations between the two countries. This agreement will help to promote bilateral investment flow, as it puts in place a framework where investors from both nations can be assured of protection when investing in the other country.

3. Singapore's economic ties with Russia have been growing. Between 2007 and 2009, bilateral trade more than doubled from S\$1.88 billion to S\$4.0 billion. Russia is now our 27th largest trading partner, up from 35th position in 2007. Singapore's stock of direct investments abroad (DIA) in Russia stood at S\$58 million in 2008. Russia's stock of FDI in Singapore is estimated at S\$50 million in 2008.

4. The key features of the IPPA include: (i) non-discriminatory, fair and equitable treatment for Singapore investors and investments in Russia, and vice versa; (ii) prompt, adequate and effective compensation in the event of expropriation; (iii) guarantee of free transfers of capital, returns, proceeds and other payments; and (iv) access to international arbitral tribunals in the event of any investor to state disputes.

**Ministry of Trade and Industry**  
**27 September 2010**