MINISTRY OF TRADE AND INDUSTRY SINGAPORE

TURKEY AND SINGAPORE SIGN COMPREHENSIVE FREE TRADE AGREEMENT

1.   Singapore and Turkey are enhancing bilateral relations and boosting economic cooperation with the signing of the Turkey-Singapore Free Trade Agreement (TRSFTA).

2.   Prime Minister Lee Hsien Loong and Turkey's President Recep Tayyip Erdoğan witnessed the signing of the TRSFTA between Minister for Finance Heng Swee Keat and Turkey's Minister of Economy Nihat Zeybekci on the sidelines of the G20 Summit in Antalya, Turkey today.

3.   Negotiations for the TRSFTA were launched by Prime Minister Lee and Turkey's then-Prime Minister Erdoğan in January 2014 and concluded in October 2015. The signing builds upon the Strategic Partnership signed between Prime Minister Lee and Prime Minister Ahmet Davutoğlu in October 2014.

4.   The TRSFTA is Turkey's first comprehensive agreement in a single undertaking. It comprises Turkey's first treaty commitments in Government Procurement and newer elements such as intellectual property rights, e-commerce, competition and transparency. The TRSFTA will reduce barriers to trade and investment between Turkey and Singapore, enhance access to services sectors and procurement markets, as well as promote greater connectivity between businesses and people.

5.   Tariffs for Singapore's exports to Turkey on 80 per cent of all tariff lines will be eliminated immediately upon the entry into force of the TRSFTA, with the coverage rising to more than 95 per cent of all tariff lines over a period of 10 years. Singapore exporters, including exporters of electronics, pharmaceuticals, chemicals and processed food products, will benefit from the removal of Turkey's tariffs under Rules of Origin that take into account Singapore's unique regional supply chain and local production processes.

6.   The FTA will help more Singapore companies to leverage Turkey's strategic location as a gateway to the larger regional markets in Europe, Central Asia, the Middle East and Africa. More Turkish firms are also encouraged to use Singapore as their base to seek opportunities in the rapidly growing ASEAN region and beyond. There are currently about 10 Singapore companies in Turkey, including PSA, Temasek Holdings, ST Electronics, Surbana Jurong and The Ascott Limited, and 67 Turkish companies in Singapore, including BEKO, a consumer durable brand under Koc Holding, GenPower, Turkey's largest diesel and gasoline generator manufacturer, Vesbo, the specialised water thermoplastic pipe division of the Kar Group, and Milli Reasurans, a reinsurance company. These numbers are expected to grow with the conclusion of the TRSFTA.

**MINISTRY OF TRADE
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7.   The ratification process for the TRSFTA is expected to be completed within two years. Singapore companies that are interested in business and investment opportunities in Turkey should contact IE Singapore at 1800-IE SPORE (1800 437 7673) or enquiry@iesingapore.gov.sg.

- End -

MINISTRY OF TRADE AND INDUSTRY
14 November 2015

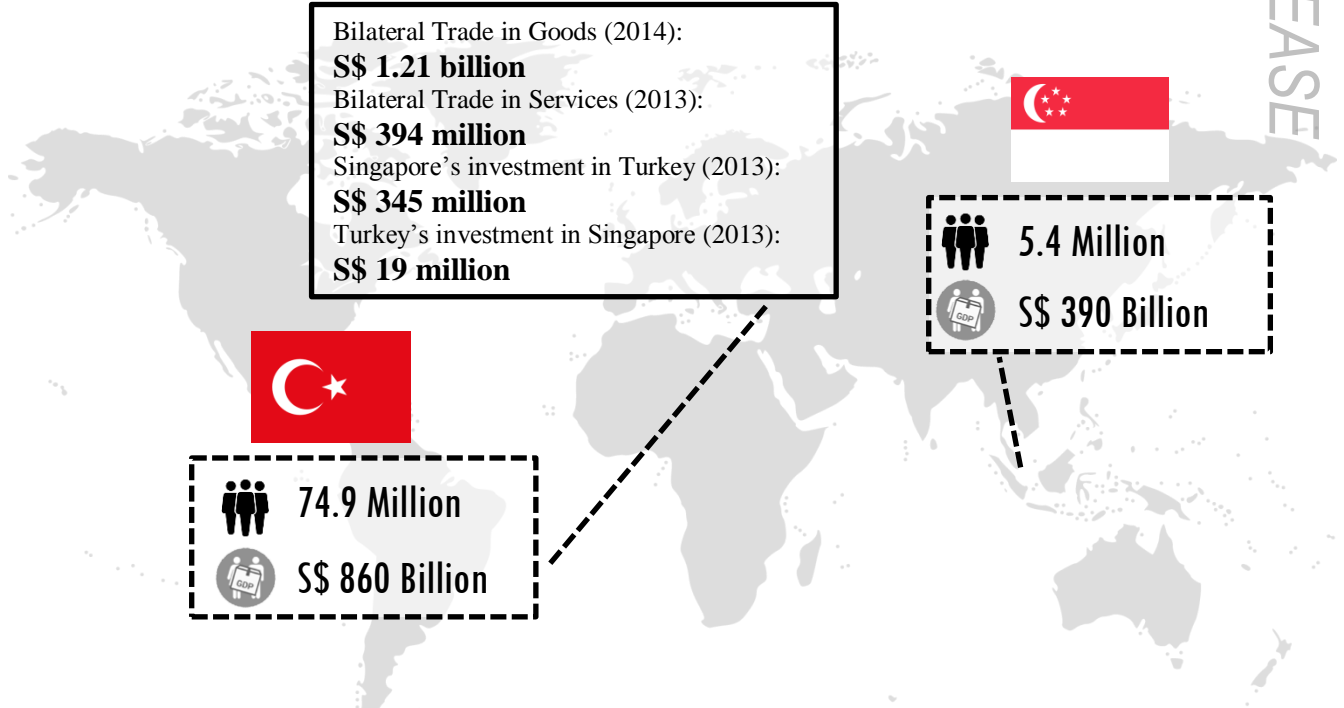<u>**Annex A**</u>**: Overview of Turkey-Singapore Free Trade Agreement**

For media queries, please contact:

Joan Khor
Senior Assistant Director, Corporate Communications Division
DID: 63327622 / HP: 91870990
Email: joan_khor@mti.gov.sg

MINISTRY OF TRADE AND INDUSTRY SINGAPORE

Annex

TURKEY-SINGAPORE FREE TRADE AGREEMENT

Bilateral Trade in Goods (2014):
S$ 1.21 billion
Bilateral Trade in Services (2013):
S$ 394 million
Singapore's investment in Turkey (2013):
S$ 345 million
Turkey's investment in Singapore (2013):
S$ 19 million

5.4 Million
S$ 390 Billion

74.9 Million
S$ 860 Billion

Singapore companies in Turkey

PSA The World's Port of Call

URBANA JURONG Building Cities, Shaping Lives

THE ASCOTT LIMITED

ST Electronics A company of ST Engineering

TEMASEK HOLDINGS

Turkey companies in Singapore

VESBO

GENPOWER GENERATOR

BEKO

Milli Reasürans T.A.Ş.

16 Nov 2015	2017	2027

Outreach Activities

Outreach activities on the TRSFTA will be organised to help Singapore companies understand the potential benefits of the TRSFTA.

TRSFTA enters into force

- Tariffs on 80 percent of all tariff lines are eliminated.
- Singapore and Turkish companies gain access to each other's services sectors and government procurement markets.
- Companies enjoy enhanced protection and promotion of investments.

Full elimination of tariffs

Tariffs on more than 95 per cent of all tariff lines are eliminated.