

Successful Conclusion of the Panama-Singapore FTA

Singapore and Panama have successfully concluded negotiations on a Free Trade Agreement (FTA). Singapore's Chief Negotiator Ms Chan Lai Fung and Panama's Chief Negotiator Mr Estif Aparicio reached agreement this week at the end of their third round of negotiations in Singapore. Negotiations were launched on 17 Feb 04 in Singapore.

The agreement is now undergoing legal scrubbing. Once this process is complete, both sides will ratify and sign the final document.

The Panama-Singapore FTA is a comprehensive agreement that seeks to liberalise bilateral engagement in areas beyond trade in goods and services. The agreement includes chapters on investment, customs procedures, competition policy, government procurement, financial services, telecommunications, e-commerce and dispute settlement.

Under the agreement, Singapore and Panama companies will enjoy greater access to each other's markets. 98% of Singapore's exports to Panama will enjoy duty free access 5 years after the PSFTA comes into force. On Singapore's part, it will immediately eliminate all duties for Panamanian products entering Singapore. The services chapter covers key areas of interest for Panama companies, including logistics, maritime services and business services. Under the agreement, provisions have also been negotiated to provide investors from both sides with added protection for their investments.

The conclusion of the Panama-Singapore FTA institutionalises the warming bilateral economic relations between both countries, and provides a platform from which greater trade and investment can flow. Furthermore, as Singapore's first FTA with a country in Latin America, the Panama Singapore FTA will serve to catalyse our engagement with the region.

**MINISTRY OF TRADE AND INDUSTRY, SINGAPORE
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