

## SINGAPORE AND THE EUROPEAN UNION DEEPEN ECONOMIC PARTNERSHIP AS DIGITAL TRADE AGREEMENT ENTERS INTO FORCE

The European Union (EU)-Singapore Digital Trade Agreement (EUSDTA) enters into force today. This milestone follows the signing of the EUSDTA by Minister-in-charge of Trade Relations Grace Fu and EU Commissioner for Trade and Economic Security Maroš Šefčovič on 7 May 2025 in Singapore. Negotiations on the EUSDTA were launched in July 2023 and concluded in July 2024.

2. With its entry into force, the EUSDTA establishes high-standard rules for digital trade and facilitates secure flows of data across borders, providing greater legal certainty and clarity for our businesses and people transacting in the digital economy. By promoting interoperability between Singapore and the EU's digital regimes, the Agreement will boost end-to-end digital trade between both sides, while enhancing consumer welfare and the protection of personal data. The EUSDTA also reflects the EU and Singapore's shared commitment to upholding a modern, open and rules-based digital economy, enabling consumers and companies to benefit from strengthened economic connectivity between both sides.

3. Minister-in-charge of Trade Relations Grace Fu said, "Singapore is heartened by the swift entry into force of the EU-Singapore Digital Agreement. The EUSDTA is Singapore's largest bilateral digital economy agreement to date, establishing rules for digital trade with all 27 EU Member States. It is an ambitious, high-standard Agreement which will strengthen digital connectivity by promoting transparent and fair digital trade. The EUSDTA also strongly signals our commitment to working together to positively shape the global digital trade landscape, and ensure that Singapore and the EU remain well-positioned for growth amidst global economic headwinds."

4. The entry into force of the EUSDTA is a key milestone in the EU-Singapore economic relationship, and complements the EU-Singapore Free Trade Agreement (EUSFTA) which entered into force in 2019. The EU is Singapore's fifth largest goods trading partner and second largest services trading partner. Comprising 7.5% of Singapore's total goods trade, bilateral trade in goods grew to over S\$100 billion in 2025. Bilateral trade in services exceeded S\$110 billion in 2023. Today, more than half of trade in services between the EU and Singapore is digitally delivered. Investment ties between the EU and Singapore are also robust and growing, with the EU being Singapore's second largest foreign investor and second largest overseas investment destination.

**Annex A: Key Features of the EU-Singapore Digital Trade Agreement**

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EU-Singapore Digital Trade Agreement**

**Ministry of Trade and Industry**

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## **Key Features of the EU-Singapore Digital Trade Agreement**

### **Enabling and facilitating open and secure data flows**

#### Cross-border Data Flows

- To support trusted cross-border data flows for electronic commerce and other digitally enabled activities, Singapore and the EU commit to allow businesses to transfer data, including requirements to store data in specified locations.

#### Personal Data Protection

- Singapore and the EU agree to maintain a legal framework to protect the personal data of individuals, based on principles and guidelines developed by relevant international bodies. Singapore and the EU will also publish information on the personal data protection measures that their respective jurisdictions provide to individuals, including on how individuals can pursue remedies and how businesses can comply with legal requirements.

#### Open Government Data

- Enhancing public access to government data in digital formats fosters economic and social development, competitiveness, productivity, and innovation. To encourage the use of publicly available government data, especially for small and medium-sized enterprises (SMEs), Singapore and the EU will cooperate to enhance and generate business and research opportunities.

### **Facilitating end-to-end digital trade**

#### Electronic payments (E-payments)

- The EUSDTA recognises the benefits of supporting the development of cross-border e-payments. Singapore and the EU will foster the adoption and use of internationally accepted standards, promote interoperability, and encourage innovation and competition in payment services.

### Electronic invoicing (E-invoicing)

- To drive cost-effectiveness, efficiency, accuracy, and reliability of digital trade, Singapore and the EU will ensure that the implementation of measures related to e-invoicing is designed to support cross-border interoperability between both sides' e-invoicing frameworks.

### Paperless Trading

- Singapore and the EU will endeavour to make available trade documents required for import, export, or transit of goods in electronic format and accept electronic versions of these documents as the legal equivalent of paper versions.

### Customs Duties

- Singapore and the EU will not impose customs duties on electronic transmissions.

## **Establishing trusted and secure digital systems**

### Source Code

- It is important to foster trust in the markets within which software developers operate, encourage innovation, and ensure that source code used by companies are protected. To this end, Singapore and the EU will not require the transfer of or access to source code as a condition of market access.

### Cybersecurity

- Recognising the evolving nature of threats to cybersecurity, Singapore and the EU will collaborate to identify and mitigate these threats, as well as build the capabilities of our workforce.

### Online Consumer Protection

- To enhance consumer protection, Singapore and the EU will adopt or maintain measures that guard against fraudulent, misleading, or deceptive commercial activities that cause harm to consumers engaged in electronic commerce.

**Promoting greater participation and access to opportunities in the Digital Economy for our companies and people**Digital participation of Small and Medium Sized Enterprises (SMEs)

- SMEs play a fundamental role in enhancing bilateral trade and investment. Singapore and the EU will cooperate to exchange information and best practices in leveraging digital tools and technology, to enhance SMEs' participation in digital trade opportunities.

Digital Inclusion

- Singapore and the EU recognise the importance of digital inclusion and enabling all people and businesses to participate in, contribute to, and benefit from the digital economy. To this end, Singapore and the EU will cooperate to enhance digital inclusion, including through exchanges of information and best practices, as well as addressing barriers to accessing digital trade opportunities.

EU-Singapore Digital Trade Agreement Infographic

**EU-SINGAPORE DIGITAL TRADE AGREEMENT (EUSDTA)**

The EUSDTA enhances digital connectivity between the EU and Singapore, facilitating end-to-end trade by harmonising rules and standards for digital trade and cross-border data flows.

**Timeline:**

- 2023 20 JUL Negotiations were launched
- 2024 25 JUL Substantial conclusion of negotiations
- 2025 7 MAY EUSDTA was signed

**Key Features**

**Enable Open and Secure Data Flows**

- Cross-Border Data Flows**: Businesses can transfer data seamlessly across each other's territories in a safe and trusted manner.
- Personal Data Protection**: Robust legal frameworks with transparency measures to safeguard individuals' personal data.
- Open Government Data**: Enhanced public access to digital government data to foster productivity and innovation.

**Facilitate End-to-End Digital Trade**

- E-Payments**: Adopting international standards to support the development of cross-border e-payments systems.
- E-Invoicing**: Interoperable e-invoicing frameworks for more efficient and reliable digital trade.
- Paperless Trading**: Recognition and acceptance of trade documents in electronic format as the legal equivalent of paper versions.
- No Customs Duties**: No customs duties will be imposed on electronic transmissions.

**Establish Trusted and Secure Digital Systems**

- Source Code Protection**: Protects businesses from unjustified needs to disclose source code as a condition of market access.
- Cybersecurity**: Joint efforts to address evolving nature of cybersecurity threats and enhance our workforce capabilities.
- Online Consumer Protection**: Strengthen safeguards against online fraud and deceptive commercial activities.

**Expand Access to Digital Economy Opportunities**

- Digital Participation by SMEs**: Support SMEs to leverage digital tools and participate in digital trade.
- Digital Inclusion**: Enhance inclusion of businesses and people to access digital trade opportunities.

**Quotes from Companies, Trade Associations and Chambers on  
the EU-Singapore Digital Trade Agreement**

Company	Quote and Spokesperson
<b>European Chamber of Commerce (EuroCham)</b>	<p>"The entry into force of the EU-Singapore Digital Trade Agreement marks an important milestone towards international standards for digital trade, taking the partnership with Singapore to a next level. Given the rapid acceleration of digitalisation and the increasing importance of resilient and compliant digital economies amid global uncertainties, this agreement provides a strong commitment to facilitating digital trade, enhanced connectivity and legal certainty for businesses and consumers in both regions. As such, EuroCham business community is looking forward to European and Singaporean companies leveraging this Agreement to innovate, expand, and compete more effectively in the global digital economy."</p> <p><b>– Eva Vincetic, Executive Director, EuroCham</b></p> <p><i>EuroCham Singapore is an independent, non-profit organisation that serves as the collective voice of the European business community in Singapore. As the convening platform for Team Europe, EuroCham promotes strong economic ties by advancing trade, investment, and policy dialogue between Europe, Singapore, and the wider Asia-Pacific region.</i></p>
<b>Grab</b>	<p>"The EU-Singapore Digital Trade Agreement is a demonstration of promoting free and seamless data flow while maintaining necessary controls to boost trade. We look forward to more countries adopting similar partnerships, which will drive business innovation, improve service delivery, and stimulate economic growth."</p> <p><b>– Lim Yew Heng, Group Managing Director of Public Affairs, Grab</b></p>

	<p><i>Grab is Southeast Asia's leading super app. It offers a suite of services consisting of deliveries, mobility, financial services, enterprise and others.</i></p>
<b>ShopBack</b>	<p>“The entry into force of the EUSDTA is a positive step that strengthens the framework for cross-border digital trade between Singapore and the EU. For a Singapore-founded digital platform like ShopBack with a global presence, including operations in Germany, the EUSDTA provides greater regulatory clarity and confidence to operate and scale digital services across markets.”</p> <p><b>– Huang Huanmin, Chief of Staff, ShopBack</b></p> <p><i>ShopBack was founded in Singapore in 2014, to make shopping more rewarding, delightful, and accessible. It offers smart shopping experiences to users in the Asia-Pacific and Europe, while helping brands and retailers in the region increase outreach and engage shoppers.</i></p>
<b>SOMIN</b>	<p>“The EUSDTA fundamentally changes how fast deep-tech companies can move in Europe. For SOMIN, it removes unnecessary friction between research, experimentation, and market deployment. This allows us to scale AI innovation in marketing responsibly while maintaining the highest standards of compliance and data security.</p> <p>The agreement also unlocks new opportunities for collaboration with European businesses and institutions. With Google already referencing our work, DeepMind citing our research, and META using SOMIN technologies for its ecosystem, we see EUSDTA as a catalyst for bringing advanced creative intelligence to a much broader global audience.”</p> <p><b>– Aleks Farseev, CEO, SOMIN</b></p> <p><i>SOMIN is an AI-powered marketing intelligence platform that helps brands and agencies accelerate campaign ideation, audience insights, and creative planning.</i></p>

**Spark Systems**

“Europe’s continued commitment to regulatory clarity and digital market development makes it an increasingly attractive environment for next-generation FX trading platforms. Spark Systems sees long-term opportunity in the region and remains committed to supporting the evolution of electronic and online FX trading within a well-governed MiFID II framework. Since our previous engagement with EUSDTA, we have strengthened our European ambitions through our expansion into Europe, including the establishment of a London-based presence to support clients and partners across the region. We recognise the importance of industry collaboration and initiatives such as the EUSDTA EIF in shaping the future of transparent, resilient, and efficient FX markets.”

**– Wong Joo Seng, Founder and CEO, Spark Systems**

*Spark Systems is an FX platform that delivers next-generation trading capabilities globally at unsurpassed speed, scale, functionality and at a lower price point. Spark Systems’ FX platform integrates Users (Price Takers) and Liquidity Providers (Market Makers) to make available cutting-edge trading technology to all users.*