MINISTRY OF TRADE AND INDUSTRY SINGAPORE

For Immediate Reporting

SINGAPORE AND BRAZIL DEEPEN ECONOMIC TIES AS MERCOSUR-SINGAPORE FREE TRADE AGREEMENT ENTERS INTO FORCE

1. The MERCOSUR[1]-Singapore Free Trade Agreement (MCSFTA) entered into force for Singapore and Brazil today. The MCSFTA is Singapore's 29th free trade agreement and first trade deal with the founding MERCOSUR Member States, as well as MERCOSUR's first free trade agreement with a Southeast Asian country. This follows the earlier entry into force of the MCSFTA for Singapore with Paraguay and Uruguay respectively. Ratification procedures are ongoing for Argentina.

2. This is a significant milestone in Singapore's economic engagement with Latin America, with Brazil being MERCOSUR's largest economy and one of Singapore's largest trading partners in Latin America, while Singapore is Brazil's largest trading partner in Southeast Asia. The Agreement also builds on the strong momentum in Singapore-Brazil economic cooperation over the past year and further strengthens bilateral relations as both countries look ahead to commemorating 60 years of diplomatic relations in 2027.

3. The MCSFTA aims to deepen economic integration between Singapore and the four South American economies by facilitating greater trade flows through lowered tariff rates, establishing transparent and predictable investment conditions, and fostering cooperation in areas such as trade facilitation, government procurement, entrepreneurship, digitalisation, sustainable development, food supply security and development of small and medium enterprises.

4. The MCSFTA augments a robust level of commercial activity, with Singapore companies already active in Latin America across sectors such as manufacturing, infrastructure, energy, agri-commodities, hospitality and digital solutions, and Brazil hosting the highest concentration of Singapore companies in the region. Brazil and the wider Latin America region are significant sources of agri-commodities and food products, and Singapore is keen to further increase imports of meat, fruit, vegetables and superfoods from the region, in line with its food diversification strategy for resilience.

5. Under the Agreement, MERCOSUR will eliminate import tariffs on approximately 96% of products within a period of up to 15 years, with more than 25% of tariff lines liberalized immediately. It also strengthens cooperation in sanitary matters and non-tariff measures, facilitating greater market access. Close to 200

[1] MERCOSUR is a South American trade bloc founded by Argentina, Brazil, Paraguay and Uruguay.

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Singapore companies are operating across MERCOSUR markets, and Singapore's total trade in goods with the four MERCOSUR member states represented over 30% of Singapore's total trade with Latin America in 2025.

Annex A: Infographics on MCSFTA and the MERCOSUR
Annex B: Factsheet on MCSFTA
Annex C: Quotes from Companies, Trade Associations and Chambers on the MCSFTA

Ministry of Trade and Industry
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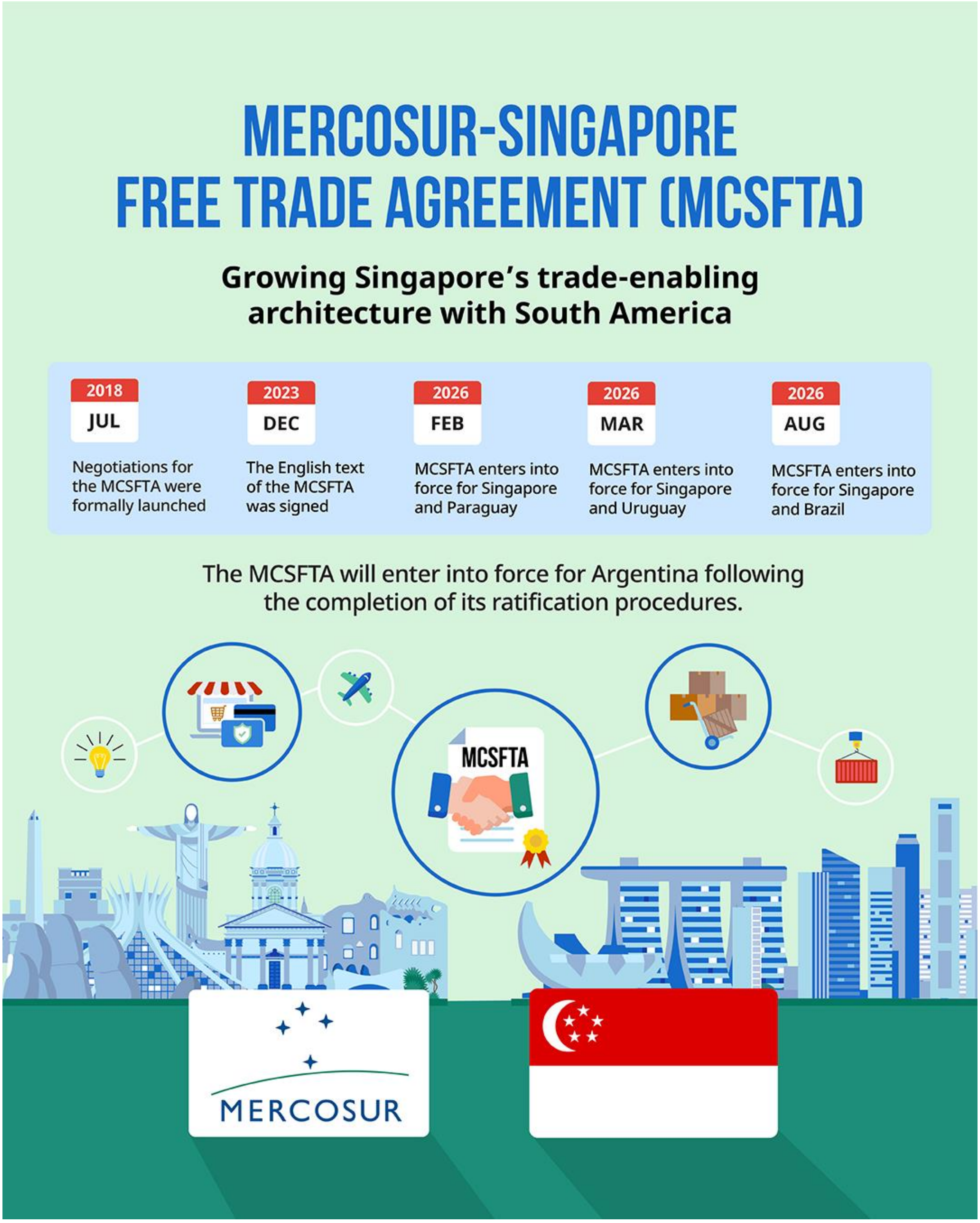
Annex A

Infographics on MCSFTA and the MERCOSUR



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ABOUT MCSFTA

The MCSFTA is the first trade deal between MERCOSUR and Singapore.

MERCOSUR has a combined gross domestic product (GDP) of nearly US$3 trillion and a population of over 295 million in 2025.

Signatories to the MCSFTA:

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MTI Singapore

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ABOUT MCSFTA

In 2025, Singapore's total trade in goods with the four MERCOSUR member states amounted to **S$11.9 billion**, accounting for over **30%** of Singapore's total trade with Latin America.

Trade in services in 2023 amounted to **S$7.3 billion**, representing **35%** of Singapore's total services trade with the region.

Nearly **200** Singapore companies in various sectors.

Technology and Innovation

Agricommodities

Marine and Offshore

Manufacturing

Transport and Logistics

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KEY BENEFITS INCLUDE:

Trade in Goods

The MERCOSUR states will gradually eliminate import tariffs on approximately 96% of exports over 15 years, offering immediate tariff-free access for around 20% of exports.

Customs Procedures and Trade Facilitation

Both sides have committed to simplifying and expediting our customs procedures for express shipments and provide for the release of perishable goods within the shortest possible time.

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KEY BENEFITS INCLUDE:

Rules of Origin

Singapore exporters can enjoy flexible rules of origin for their goods to qualify for preferential tariffs when imported by the MERCOSUR states.

Government Procurement

Singapore companies are ensured fair and non-discriminatory treatment when competing for government contracts, providing equal opportunity to access the MERCOSUR Government Procurement market.

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KEY BENEFITS INCLUDE:

Trade in Services

- There will be enhanced stability and predictability for Singapore investors through the provision of clearer market entry conditions in the MERCOSUR markets.

- Singapore service suppliers can expect the same treatment as their MERCOSUR counterparts in various sectors.

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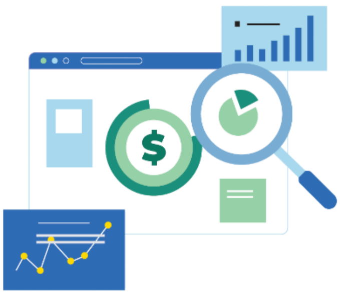
KEY BENEFITS INCLUDE:

Services and Investment



Singapore companies can expect greater clarity in market entry conditions, and enhanced stability and predictability for investors and investments between MERCOSUR and Singapore.

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KEY BENEFITS INCLUDE:

E-Commerce

- Chapter contains provisions to promote digital trade facilitation, including electronic authentication and paperless trading.
- Also contains provisions to enhance trust in the digital economy, such as through stronger online consumer protection.

Information accurate as of August 2026

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Annex B

Factsheet on MCSFTA

What is the MERCOSUR-Singapore Free Trade Agreement (MCSFTA)?

- The MERCOSUR-Singapore Free Trade Agreement (MCSFTA) is a comprehensive Free Trade Agreement between Singapore and the four founding MERCOSUR member states – Argentina, Brazil, Uruguay, and Paraguay. It comprises the following 15 Chapters, excluding the Chapters on legal and institutional issues:

  1. National Treatment and Market Access for Goods
  2. Rules of Origin
  3. Trade Remedies
  4. Bilateral Safeguards
  5. Customs Procedure and Trade Facilitation
  6. Technical Barriers to Trade
  7. Sanitary and Phytosanitary Measures
  8. Trade in Services
  9. Movement of Natural Persons
  10. Investment
  11. E-Commerce
  12. Intellectual Property Rights
  13. Government Procurement
  14. Micro, Small and Medium Enterprises (MSMEs)
  15. Competition Policy

- Following four years of negotiation, the MCSFTA was concluded on 22 July 2022, and signed on 7 December 2023 by Singapore's Minister for Foreign Affairs Dr Vivian Balakrishnan and the Ministers from the founding MERCOSUR Member States, at the 63rd Summit of Heads of State of MERCOSUR and Associate States in Rio de Janeiro, Brazil.

Key Benefits of the MCSFTA

- As the first Free Trade Agreement between Singapore and all four founding MERCOSUR member states, the MCSFTA will enhance our trade architecture with South America and provide our traders and investors with clearer and more transparent access to each other's markets. Key benefits of the MCSFTA include:

1. Trade in Goods. The founding MERCOSUR states will gradually eliminate import tariffs on approximately 96% of products over 15 years, offering immediate tariff-free access for around 20% of products. This marks a significant increase in tariff-free market access, up from less than 15% of Singapore's exports to the MERCOSUR markets currently.

2. Customs Procedures and Trade Facilitation. Businesses can enjoy simplified and expedited customs procedures for express shipments. Both sides have committed to expediting the release of perishable goods within the shortest possible time, which is especially important for exporters of agricultural products such as dairy and fresh produce.

3. Rules of Origin. Singapore exporters can enjoy flexible rules of origin for their goods to qualify for preferential tariffs when imported by the founding MERCOSUR states.

4. Government Procurement. Singapore businesses are ensured fair and non-discriminatory treatment when competing for government contracts. This gives companies an equal opportunity to gain access to MERCOSUR's Government Procurement markets.

5. Trade in Services. Service suppliers can expect equal treatment as their counterparts in various sectors, including computer, R&D, and construction services.

6. Investment. Investors can enjoy enhanced stability and predictability through the provision of clearer market entry conditions. This Chapter is Singapore's first investment agreement with the founding MERCOSUR states.

7. Micro, Small, and Medium Enterprises (MSMEs). The MCSFTA will facilitate cooperation in capacity building to support the growth, competitiveness, and internationalisation of MSMEs. Singapore and the founding MERCOSUR states will exchange information relevant to MSMEs, explore avenues for collaboration, and help MSMEs develop entrepreneurial skills.

8. E-Commerce. The MCSFTA will promote digital trade facilitation, including electronic authentication and paperless trading, as well as enhance trust in the digital economy, such as through stronger online consumer protection and minimising unsolicited commercial electronic messages. Singapore and

MERCOSUR have also agreed to cooperate in various areas relating to e-commerce, including cybersecurity.

9. Competition. Singapore and the founding MERCOSUR states have committed to adopt or maintain competition laws that prohibit anti-competitive business conduct so that businesses can enjoy fair competition.

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Annex C

Quotes from Companies on the MERCOSUR-Singapore Free Trade Agreement (MCSFTA)

Company	Quote and Spokesperson
Seatrium Limited	"Brazil has been a strategic market for Seatrium for decades, and we are proud to have built enduring partnerships that support the country's offshore energy sector through the delivery of complex engineering and critical energy infrastructure. The entry into force of the MERCOSUR-Singapore Free Trade Agreement for Singapore and Brazil is set to create an even more conducive environment for long-term investment and industrial collaboration between our two countries. As Latin America continues to play an increasingly significant role in shaping the future of global energy, stronger cross-border exchange of engineering expertise and industrial capabilities will be critical to developing more resilient and sustainable energy systems." **– Chris Ong, CEO, Seatrium Limited** *Seatrium Limited is a leading provider of specialised engineering solutions for the global offshore, marine, and energy sectors. Seatrium plays a pivotal role in delivering offshore energy infrastructure assets globally that is the backbone of some of the world's essential energy systems.*
Agrocorp International	"Agrocorp welcomes the MCSFTA as a practical bridge between South American supply and Asian demand, South America as a world-leading source of agricultural goods, and Asia as its fastest-growing market. Lower tariffs and simpler rules of origin will help us move South American sugar, cotton, corn, beans and other pulses more competitively to consumers across Asia, reinforcing regional food supply security, while the agreement's focus on digitalisation and sustainability supports the paperless, traceable trade that increasingly defines modern trade." **– Srinivas Samdurala, COO and CRO, Agrocorp International**

	Agrocorp is a global agri-commodity trading and processing company, committed to sourcing agri-food products with traceability and value.
Sea	"Sea welcomes the Mercosur-Singapore Free Trade Agreement. As a global technology company homegrown in Singapore, we see first-hand how digital platforms like Shopee (e-commerce) and Monee (financial services) can connect diverse markets and create economic opportunities. By lowering trade barriers and deepening digital cooperation, the Agreement will help more businesses—especially SMEs—reach new customers and grow across borders. We look forward to supporting stronger ties and shared prosperity between Singapore and Brazil as we grow our digital economies together." **– Junjie Zhou, Vice President, Sea** *Sea is a global technology company founded in Singapore in 2009, which aims to better the lives of consumers and small businesses with technology.*
I Can Read Education Group (Orca Global Pte Ltd)	"As a Singapore-headquartered education enterprise operating in 13 markets with over 160 centres worldwide, I Can Read Education Group welcomes the entry into force of the MCSFTA between Singapore and Brazil. Brazil represents one of the largest education markets in Latin America. This Agreement gives us a clearer, more predictable pathway to establish a presence in Brazil, from more transparent investment conditions to stronger protection of our curriculum and intellectual property as we franchise and expand. We are especially encouraged by the Agreement's focus on digitalisation, which supports our ability to deliver blended and digital literacy and mathematics programmes to Brazilian schools and families. With closer institutional ties between our two economies, we look forward to bringing our proprietary English literacy and Oodles Math methodology to Brazilian children and educators, and to

	contributing to closer people-to-people and educational exchange between Singapore and Brazil." **– Chan Huang Yee, CEO, I Can Read Education Group (Orca Global Pte Ltd)** *I Can Read Education Group is a global English language and literacy centre, supporting children in building strong literacy skills, growing in confidence and developing a genuine love for reading through a research-backed curriculum.*
GenZero	"The MERCOSUR-Singapore Free Trade Agreement will strengthen the economic bridge between Southeast Asia and Latin America by enabling greater trade and investment flows, lowering barriers and expanding cooperation in areas such as digitalisation, sustainable development and food security. Brazil's natural capital and growing climate solutions ecosystem, coupled with Singapore's strengths in finance, innovation and connectivity, offer significant opportunities for partnership. GenZero's partnership with BTG Pactual Timberland Investment Group in a large-scale Latin American reforestation strategy is one example of how international capital and local expertise can combine to deliver commercial, climate and community benefits. We hope the Agreement will catalyse many more such collaborations and contribute to sustainable growth across both regions." **– Frederick Teo, CEO, GenZero** *GenZero is an investment platform company focused on accelerating decarbonisation globally. Founded by Temasek, it seeks to deliver positive climate impact alongside long-term sustainable financial returns by investing in opportunities with the potential to be nurtured into impactful and scalable solutions.*
PIL	"As a shipping line with extensive connections between Asia and Latin America, PIL welcomes the MCSFTA's potential to drive greater trade flows through improved market access

	and lower trade barriers. We are also encouraged by the opportunities for deeper collaboration in digitalisation, sustainable development, and food supply security, which will help build more resilient, efficient, and sustainable supply chains. We look forward to supporting our customers as they capitalise on the new opportunities created by the MCSFTA." **– Lionel Chatelet, Chief Commercial Officer, PIL** *PIL is a global container shipping company. It operates a fleet of around 100 container vessels, providing shipping services and solutions to customers in more than 90 countries worldwide.*