

Joint Press Release
Entry into Force of the MERCOSUR–Singapore Free Trade Agreement
between Uruguay and Singapore

The Free Trade Agreement between the Southern Common Market (MERCOSUR) and the Republic of Singapore enters into force, on a bilateral basis, between the Oriental Republic of Uruguay and the Republic of Singapore on 1 March 2026, following the completion of the respective internal procedures and the deposit of the instruments of ratification. The entry into force of the Agreement constitutes a significant milestone for MERCOSUR, as it strengthens its international integration and opens a strategic gateway to the Asia-Pacific region, while consolidating Singapore as a key partner in deepening economic ties with Latin America.

For Uruguay, this Agreement represents an important step in its strategy to diversify markets and strengthen its international economic projection, particularly towards Southeast Asia. The Agreement is also Singapore's first trade deal with the founding MERCOSUR member states. It is a new-generation agreement that incorporates modern disciplines in trade in goods and services, investment, government procurement, intellectual property, electronic commerce, and micro, small and medium-sized enterprises (MSMEs). In this regard, its implementation is expected to contribute to increased bilateral trade, enhanced regulatory predictability, and the creation of favorable conditions for investment attraction.

In the area of trade in goods, the Agreement provides for the elimination of import tariffs by MERCOSUR 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 effective market access. For Uruguay, positive impacts are anticipated in key productive sectors, such as the dairy sector, while for Singapore, the Agreement contributes to the diversification and resilience of its supply chains, in an international context marked by the reconfiguration of global value chains. Close to 200 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.