MINISTRY OF TRADE AND INDUSTRY SINGAPORE

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PRESS RELEASE

ASEAN POWERS AHEAD WITH NEXT-GENERATION TRADE AGREEMENTS AND GLOBAL ENGAGEMENT AT THE 47TH ASEAN SUMMIT

ASEAN Leaders welcomed the signing of the Upgraded ATIGA, ACFTA 3.0 Upgrade, and commencement of AKFTA Upgrade negotiations in early 2026.

1. Singapore's Prime Minister Lawrence Wong represented Singapore at the 47th ASEAN Summit and Related Summit Meetings from 26 to 28 October 2025, chaired by Malaysia's Prime Minister Anwar Ibrahim, in Kuala Lumpur, Malaysia. The Summit marked significant milestones in ASEAN's economic integration and external trade partnerships amidst a dynamic global economic landscape.

2. At the sidelines of the preceding 26th ASEAN Economic Community Council Meeting attended by Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong on 24 October 2025, and the Summit, ASEAN Member States (AMS) signed two landmark upgraded agreements – the **ASEAN Trade in Goods Agreement (ATIGA) Upgrade** and **the ASEAN-China Free Trade Area (ACFTA) 3.0 Upgrade** – which remain Singapore's most utilised FTAs. The upgraded agreements aim to improve efficiency in customs procedures and trade facilitation to better support cross-border trade flows, as well as establish forward-looking commitments in new areas such as supply chain connectivity, the digital economy and green economy. These improvements will provide greater predictability and create opportunities for businesses, especially Micro, Small and Medium Enterprises (MSMEs), amidst a contested global trade environment. The benefits of each Agreement are as follows:

a. The **ATIGA Upgrade** improves market access through more trade facilitative rules of origin especially in key sectors such as electronics, chemicals, and textiles and enhanced customs procedures. It will also reduce frictions faced by companies when trading within the region, especially during crisis situations, and introduce new commitments to lower trade barriers in the green economy.

b. The **ACFTA 3.0 Upgrade** provides businesses new opportunities in key emerging areas, namely digital economy, green economy, and supply chain connectivity, to help businesses operating in Southeast Asia and China capture new opportunities, such as in Artificial Intelligence and Fintech. It also introduces new commitments against unfair or anti-competitive business practices and to provide better protection for online and overseas consumers.

3. The Summit also welcomed the commencement of negotiations for the **ASEAN-Korea Free Trade Area (AKFTA) Upgrade** in early 2026, which aims to deepen economic

ties and enhance trade and investment flows between ASEAN and Korea. Singapore will chair this upgrade negotiation.

4. Leaders also gathered for the **5th Regional Comprehensive Economic Partnership (RCEP) Summit**, the first Summit held since the Agreement progressively entered into force for RCEP Parties from 2022 onwards. At the Summit, RCEP Leaders reaffirmed the Agreement's value in bolstering trade in the region as well as countries' collective commitment to uphold a rules-based trading environment with the WTO at its core, amidst today's volatile global landscape. Leaders also took the opportunity to reiterate RCEP Participating Countries' commitment to enhancing the full and effective implementation of the Agreement and advance accession discussions and begin developing a pathway to review the Agreement in 2027. The significant interest from the four aspirant economies – Bangladesh, Chile, Hong Kong, and Sri Lanka – highlights the Agreement's relevance as an open and inclusive Agreement and its potential to deepen economic integration across the Asia-Pacific. As a key regional agreement, the RCEP will deepen Singapore's economic linkages, open up opportunities, and deliver benefits for our businesses.

5. Singapore's Deputy Prime Minister and Minister for Trade and Industry Gan Kim Yong highlighted the importance of these developments, stating, "The signing of the ATIGA Upgrade and ACFTA 3.0 Upgrade signals ASEAN's commitment to deepen regional linkages and reinforce its role as a central node in the global economy. These next-generation agreements will open new pathways for ASEAN and Singapore businesses to seize opportunities in trade, digitalisation, and sustainability. Meanwhile, work to implement, expand, and improve the RCEP Agreement, with ASEAN in a central role, towards a more integrated Asia Pacific region will help strengthen supply chains as well as provide predictability and certainty for businesses. Singapore remains committed to working closely with ASEAN Member States to deepen regional integration and foster inclusive growth for our businesses and people."

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Annex A: Key Features of the Upgraded ATIGA
Annex B: Key Features of the ACFTA 3.0 Upgrade
Annex C: Company Quotes on the Upgraded ATIGA and ACFTA 3.0 Upgrade

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Annex A

Key Features of the Upgraded ATIGA

1. The ASEAN Trade in Goods Agreement (ATIGA) is the primary Agreement used by our businesses to trade with the ASEAN region, and provides a comprehensive framework aimed at reducing trade barriers among ASEAN Member States (AMS).

2. Trade within ASEAN has expanded more than 60% since the entry into force of the original ATIGA in 2010. Singapore's trade with ASEAN has also grown, with its exports to ASEAN increasing by close to 40% to US$149 billion in 2024, and its imports from ASEAN increasing by over 20% to US$90.8 billion in 2024. Singapore's top traded products with ASEAN included: (a) electrical machinery; (b) mineral fuels and oils; (c) precious metals and stones; (d) mechanical appliances; and (e) medical and optical instruments.

3. The Upgraded ATIGA overhauls and modernises the original ATIGA, which marks the first upgrade since its entry-into-force 15 years ago. The Upgraded ATIGA includes an expanded scope and stronger commitments, both in traditional trade-in-goods elements and emerging growth areas such as in green and digital economy.

4. Though the Upgraded ATIGA, AMS have committed to:

a. Market access and trade facilitation

i. **Clearer and fairer rules to prevent the misuse of trade remedies**,[1] such as anti-dumping and countervailing duties. This will provide greater certainty and predictability for companies when trading in the region, amidst the global trend of growing protectionism.

ii. **Simplified and improved rules of origin**. Companies can benefit from more flexible rules that make it easier for them to qualify for preferential tariffs, especially for key sectors such as electronics, chemicals, and textiles. Faster rollout of self-certification[2] will also save time and costs, while removing unnecessary fields from the Certificate of Origin, a key trade document, will help reduce shipment(s) rejections.

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[1] Trade remedies are tools used by governments to protect domestic industries from unfair or harmful international trade practices such as dumping, subsidies, and circumvention.

[2] For self-certification, companies can self-declare their goods to qualify for tariff benefits instead of waiting for government approval, thereby saving time and costs.

iii. **Enhanced customs procedures to support businesses**. Simpler paperwork, faster approvals and advance decision on shipments will help businesses save time at borders. More types of trade documents that can be accepted and faster release of goods and express shipments offer companies greater flexibility and improve their experience at borders.

iv. **Improved tariff liberalisation** (i.e. lower tariffs) within the region, such as in agricultural products, cotton, and vehicles. This marks the first time further tariff liberalisation has taken place since 1992.[3]

b. Transparency

i. **Greater transparency in health, safety and product regulations** for food, animals, plants, and other products to save time and costs for companies. This includes shorter responses for urgent technical discussions and timely publication of new or amended regulations.

ii. **Prompt notice of trade-related information,** such as providing companies greater visibility of proposed and amended regulations to tariffs and trade rules on ASEAN's online portals. This provides companies with more lead time to better prepare or adjust their supply chains, if necessary, as well as reduced compliance risks.

iii. **Opportunity to resolve trade disputes more quickly** through new and cost-efficient alternative dispute settlement mechanisms, to reduce delays and disruptions in cross-border trade for companies.

c. Supply chain connectivity

i. **Stronger protections for the flow of essential goods** within the region, especially for food and agricultural products during humanitarian crises. This includes ensuring that AMS notify export restrictions and prohibitions in a timely manner before imposing them; allowing consultations to address concerns by our companies on the potential impact of such export restrictions; and terminating export restrictions as soon as crises situations normalise. This

[3] Tariff liberalisation improved from 98.86% to 98.89%. AMS last agreed to further tariff liberalisation under the ASEAN Free Trade Area Agreement on the Common Effective Preferential Tariff Scheme (AFTA CEPT), which was signed in 1992.

is a new feature of ASEAN's FTAs to promote greater transparency and predictability for companies.

ii. **Opportunity to establish a crisis response platform** and to facilitate cooperation during crises such as emergency procurement or transportation of essential goods, among others. This strengthens supply chain resilience for companies in the region, thereby providing consumers greater confidence and certainty in the continued flows of essential goods.

iii. **Strengthened supply chain cooperation.** Countries will work together on efforts such as business matching for companies to expand their market reach and investment opportunities; joint research and development to foster innovation and help companies stay competitive; and joint actions to address potential product shortages and maintain availability of products for companies in the event of supply chain disruptions. These help companies stay competitive and ensure that goods continue to flow during disruptions.

d. Sustainability

i. **Cooperation to lower trade barriers on environmental goods**, including promoting the use of digital technologies, standards, and cleaner or renewable energy sources for production. This is a newer feature for ASEAN's Agreements, and builds upon ASEAN's existing green economy initiatives and commitments.

ii. **Facilitated flows of remanufactured goods,** such as environmentally friendly goods and recycled products. This is another new feature of ASEAN's FTAs, and will be implemented among ready AMS first.[4]

e. Inclusive Growth

i. **New Micro, Small, and Medium Enterprises (MSME) chapter** to help our MSMEs capture opportunities in new and emerging areas such as sustainability, as well as facilitate collaboration between governments to enhance capabilities of MSME.

[4] The ready AMS are Brunei Darussalam, Malaysia and Singapore. The remaining AMS will start discussions on the implementation of these provisions five years (for Indonesia, the Philippines, Thailand) or seven years (from Cambodia, Lao PDR, Myanmar and Viet Nam) after the Upgraded ATIGA enters into force, and conclude discussions two years after its commencement.

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Annex B

Key Features of the ACFTA 3.0 Upgrade

1. The ASEAN-China Free Trade Area (ACFTA) entered into force in 2010, establishing a free trade area aimed at reducing trade barriers between China and ASEAN Member States (AMS).

2. Trade between ASEAN and China has expanded more than 220% since the entry into force of the original ACFTA in 2010. China is ASEAN's largest trading partner and third largest source of Foreign Direct Investment (FDI) among its Dialogue Partners in 2024. ASEAN-China trade reached US$777.2 billion in 2024, while FDI reached US$19.3 billion. ASEAN's top traded products with China included: (a) electrical machinery; (b) mechanical appliances; (c) mineral fuels and oils; (d) medical and optical instruments, and (e) natural, cultured pearls.

3. The ACFTA 3.0 Upgrade builds on the original agreement which entered into force 15 years ago, through enhanced commitments, especially on transparency and customs procedures, to provide greater certainty and create a seamless trading environment for businesses. Additionally, the Upgrade introduces new commitments in three key emerging areas, namely digital economy, green economy and supply chain connectivity, to support businesses operating in Southeast Asia and China in capturing new opportunities.

4. Through the ACFTA 3.0 Upgrade, ASEAN and China have committed to:

a. Transparency and custom procedures

i. **Greater transparency in health, safety and product regulations** for food, animals, plants, and other products to save time and costs for companies. These include shorter responses for urgent technical discussions; ensuring key documents and information exchanged between Parties, such as on new certification requirements and regulations, are in English; and prioritizing alignment with international standards and practices.

ii. **Improved customs processes to support businesses.** More predictable and efficient customs processes include providing traders with advance decisions on how goods will be treated ahead of arrival at the border, as well as ensuring the efficient or expedited release of goods and express shipments.

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b. Supply chain connectivity

  i. **A new Supply Chain Connectivity chapter** to provide businesses and consumers with greater certainty on the continued trade of essential goods during supply chain disruptions. The Chapter strengthens physical, digital and regulatory connectivity between China and ASEAN. It also enhances supply chain cooperation, including through exploring business matching, emergency transport requests, pilot projects and initiatives, etc.

c. Digital economy

  i. **A new Digital Economy chapter** to facilitate end-to-end digital trade and promote cross-border data flows to save time and costs, especially for Micro, Small and Medium Enterprises (MSMEs). Businesses will also benefit from new opportunities arising from cooperation on emerging technologies such as Artificial Intelligence, Fintech and online scams. This is the most comprehensive and ambitious Digital Economy Chapter that ASEAN has committed to date, covering new emerging issues that ASEAN have not committed to in previous agreements, such as anti-online scams.

d. Sustainability

  i. **A new Green Economy chapter** promoting cooperation in the green economy, including paving the way for lower tariffs on environmental goods and reduced non-tariff barriers for environmental services in the future. This is the first Green Economy Chapter for both ASEAN and China in their respective FTAs.

e. Inclusive growth and greater protection for consumers

  i. **New MSME chapter** to help our MSMEs capture opportunities in new and emerging areas such as sustainability, as well as facilitate collaboration between governments to enhance capabilities of and better equip our MSMEs to grow in the next phase.

  ii. **New Competition and Consumer protection chapter** to safeguard consumers and protect against unfair or anti-competitive business practices. It provides the most advanced Consumer Protection rules across all of ASEAN's and Singapore's FTAs to date. It covers newer issues like protection of online consumers and foreign consumers abroad.

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Annex C

Company Quotes on the Signing of the Upgraded ATIGA and ACFTA 3.0 Upgrade

Company and Sector	Quote and Spokesperson
Lim Kee *Food Manufacturing*	Lim Kee Food Manufacturing Pte Ltd is renowned for producing traditional Asian steamed buns and dim sum delicacies. As a household name in Singapore, Lim Kee has built a reputation for quality and consistency, serving customers locally and internationally with an extensive range of ready-to-eat products. **Ang Khim Wee, Head of Business Development of Lim Kee** said: *"The ATIGA has greatly benefitted our company by reducing import duties from 20% and 30% to 0% for our importation to Vietnam and Thailand respectively. With the Upgraded ATIGA, we anticipate quicker and simplified customs procedures, and enhanced connectivity across ASEAN. These improvements will enable us to expand our distribution network more efficiently, respond swiftly to market demands, and reinforce our position as a leading provider of traditional Asian foods in the region."*
Nicomatic *Electronic Components Manufacturing*	Nicomatic is a leading designer and manufacturer of high-performance, modular interconnect solutions, specialising in micro-connectors and electronic components for demanding industries such as aerospace, defence, medical, and industrial applications. Nicomatic is renowned for its innovation, quality, and commitment to customer service, providing tailored solutions that meet rigorous technical standards and unique client requirements. **Thomas Tang, Managing Director of Nicomatic,** said: *"The ATIGA enables us to deepen our collaboration with manufacturing partners in Malaysia, optimising production costs and enhancing supply chain efficiency. By leveraging regional integration and tariff advantages, we are able to offer our customers more competitive pricing on products made in Singapore, without compromising the high standards of quality and reliability that Nicomatic is recognised for. With the Upgraded ATIGA and ACFTA*

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	3.0 Upgrade, we anticipate further advantages that will enhance trade efficiency and regional collaboration. The Upgrades are expected to facilitate smoother customs clearance, improve transparency in regulatory requirements, and foster greater cooperation across supply chains. These developments will not only help us respond more rapidly to evolving market needs but also strengthen our ability to innovate and expand our presence in key ASEAN markets. By streamlining procedures and lowering barriers, the upgraded ATIGA and ACFTA 3.0 will position Nicomatic to deliver increased value to our customers while bolstering our competitiveness throughout the region."
En-Syst Equipment & Services *Engineering solutions and equipment*	En-Syst Equipment & Services Pte Ltd is a Singapore-based company specialising in power generation solutions for high-tech and mission-critical applications, including data centres and semiconductor fabrication plants. With a strong regional presence, En-Syst delivers advanced, dependable technologies and customised services to clients both locally and across borders. **Reginald Toh, Finance & Strategy Director of En-Syst Equipment & Services**, said: "*The ATIGA has greatly benefitted our company by reducing import duties from 12.5% to 0% for our importation to Indonesia and from 8% to 0% for our suppliers and customers exporting from China, leveraging the ACFTA. The Upgraded ATIGA and ACFTA 3.0 Upgrade promise even more, particularly in enhancing transparency of health and safety regulations, strengthening supply chain cooperation, and lowering trade barriers in the green economy. We look forward to smoother customs procedures and expanded opportunities for cooperation and innovation across the region.*"
T1 Glass *Glass Manufacturing and Fabrication*	T1 Glass is a leading Singapore-based fabricator of architectural and speciality acoustic partitions, offering innovative solutions for commercial, residential, and industrial projects. The company's expertise lies in defining interior zones while enhancing acoustic control and overall workspace efficiency, promoting both focus and privacy. Each system is engineered for durability and long-term performance across a variety of modern office environments.

	Gerry Lee, Regional Director of T1 Glass said: *"The ATIGA and ACFTA have played a crucial role in supporting our export growth by lowering trade barriers and improving access to key regional markets. The Upgrades to these agreements — with their commitments to deeper supply chain cooperation, simplified and more flexible rules of origin, and enhanced digital economy provisions — will allow T1 Glass to streamline operations and respond more effectively to customers across ASEAN and China.* *We're excited about the potential for greater collaboration, ease of doing business, and new opportunities for innovation in sustainable glass solutions as these upgraded agreements come into force."*