

**EFTA-SINGAPORE (Services)
Summary Fact Sheet**

Table 1: Background Information

Parties	EFTA (Iceland, Liechtenstein, Norway, Switzerland), and Singapore.	
Type of Agreement	Economic Integration Agreement	
Date of signature	26 June 2002	
Date of entry into force	1 January 2003	
Review envisaged	none	
Website or contact addresses	The EFTA Secretariat: http://www.efta.int/free-trade/free-trade-agreements/singapore.aspx The Republic of Singapore: http://www.fta.gov.sg/	
List of related WTO documents	S/C/N/226 WT/REG148/1 S/C/M/65 WT/REG148/4 WT/REG148/M/1-2-3 WT/REG148/5-6	Notification Agreement Terms of reference Standard format (services) Minutes Questions and Replies

Table 2: Scope and general aspects

Scope	Sectors	Universal sectoral coverage of all service activities.
	Modes of supply	The Agreement provides for the liberalisation of trade in services through all four modes of supply (Art. 22 o).
	Definitions	A "natural person of a Party" is a natural person who resides in the territory of a Party and is a national of that Party or has the right of permanent residence. A "juridical person" means any legal entity duly constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association. A juridical person is: (i) "owned" by persons of a Party if more than 50 per cent of the equity interest in it is beneficially owned by persons of that Party; (ii) "controlled" by persons of a Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions; (iii) "affiliated" with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person.
	Positive/negative list	Positive list approach for Services Chapter (Art 27.2); negative list approach for Investment Chapter (Art. 46).
	Sector-specific rules	Financial services (Annex VIII) and Telecommunications services (Annex IX).
	Sectoral exclusions	Air services, including: domestic and international air transportation services, whether scheduled or non-scheduled, and related services in support of air services, other than aircraft repair and maintenance services, the selling and marketing of air transport services and computer reservation system (CRS) services (Art. 21.2).

Table 3: Provisions of the Agreement

Provision	Article	Additional information
MFN/National treatment	Arts. 23, 25, and 40	The Parties accord immediately and unconditionally to services and service suppliers of another Party treatment no less favourable than that accorded to like services and service suppliers of any non-Party and to their own like services and service suppliers. National and MFN treatment are also extended to investors and investments of investors of another Party, in relation to the establishment, acquisition, expansion, management, conduct, operation and disposal of investments in non-services sectors. Exceptions to MFN treatment in services may be granted for mutual recognition agreements concluded by a Party with a non-Party in accordance with GATS Art. VII, measures taken in accordance with Annex VI (GATS Lists of MFN Exemptions and preferential

		treatment accorded under an Agreement notified under GATS Art. V bis), and preferential treatment accorded under an Agreement notified under GATS Art. V.
Market access	Art. 24	With respect to market access through the modes of supply identified in Article 22 (o), each Party shall accord services and service suppliers of another Party treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its Schedule. The Agreement contains provisions on market access along the lines of Article XVI of the GATS.
Movement of natural persons	Arts. 32 and 45	Applies to measures affecting natural persons who are service suppliers and natural persons of a Party who are employed by a service supplier of a Party, in respect of the supply of a service. Natural persons covered by a Party's specific commitments are allowed to supply the service in accordance with such commitments. Under Art. 45, Parties also grant the entry and stay in their respective territories to investors and key personnel ("intra-corporate transferees") from another Party, to engage in activities connected with the establishment, management, maintenance, use, enjoyment, expansion or disposal of relevant investments. The Parties shall, subject to their laws and regulations, permit investors of another Party which have investments in their territories, and investments of such investors, to employ any key personnel of the investor's or the investment's choice regardless of nationality and citizenship provided that such key personnel has been permitted to enter, stay and work in the territory of the other Party and that the employment concerned conforms to the terms, conditions and time limits of the permission granted to such key personnel. The Parties are encouraged to grant, subject to their laws and regulations, temporary entry and stay to the spouse and minor children of an investor of another Party or of key personnel employed by such investors, who have been granted temporary entry, stay and authorisation to work.
Elimination of discriminatory measures	Arts. 27.5	The Parties shall review their Schedules of specific commitments at least every two years, but earlier if so agreed, with a view to provide for the elimination of substantially all remaining discrimination between the Parties in trade in services covered in the Services Chapter at the end of a transitional period of ten years from the date of entry into force of the Agreement. Such review shall continue if substantially all remaining discrimination has not been eliminated at the end of this transitional period.
Treatment of third party suppliers	Art. 22.1	The Agreement does not specifically address the treatment of third party services and service suppliers, except in respect of the definition of "juridical person of another Party" in the Services Chapter, which "includes a service supplier of a WTO Member who is a non-Party that is a juridical person constituted under the laws of a Party, provided that it engages in substantive business operations in the territory of the Parties."
Denial of benefits	None	
Standards/mutual recognition	Arts. 28.7 and 30	In sectors where specific commitments in professional services are taken, each Party shall provide for adequate procedures to verify the competence of professionals of another Party. According to Art. 30, in principle no later than three years following the entry into force of the Agreement, the Joint Committee shall establish the necessary steps for the negotiation of agreements or arrangements providing for the mutual recognition of education or experience obtained, requirements, qualifications, licenses and other regulations, to fulfil, in whole or in part, by services suppliers of the criteria applied by each Party for the authorisation, licensing, operation and certification of service suppliers. A Party shall, upon request, be accorded adequate opportunity to negotiate its accession to a

		recognition agreement or arrangement that another Party has with a non-Party, or to negotiate comparable instruments.
Safeguard mechanisms (intra-trade)	Art. 35	The Parties shall endeavour to avoid the imposition of restrictive measures for balance-of-payments purposes. Articles XI and XII of the GATS shall apply to payments and transfers, and to restrictions to safeguard the balance-of-payments relating to trade in services. Any Party adopting or maintaining such a measure shall promptly notify the other Parties and the Joint Committee thereof.
Domestic regulations	Art. 28	In sectors where specific commitments are taken, each Party shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner. Moreover, each Party is committed to maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier of another Party, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. The Parties shall jointly review the results of the negotiations on disciplines for certain regulations, including qualification requirements and procedures, technical standards and licensing requirements, pursuant to Article VI.4 of the GATS, with a view to their incorporation into this Agreement.
Subsidies and state aid	Art. 29	A Party which considers that it is adversely affected by a subsidy of another Party may request consultations with that Party on such matters. Such requests shall be accorded sympathetic consideration.
IPR	Chapter VII	The Parties shall grant and ensure adequate and effective protection of intellectual property rights and provide for measures for the enforcement of such rights against infringement thereof, counterfeiting and piracy (Art. 54.1). The Parties accord to each other's nationals treatment no less favourable than that which they accord to their own nationals and treatment no less favourable than that which they accord to nationals of any other State (Art. 54.2 and Art. 54.3).
Government Procurement	Chapter VI	The WTO Agreement on Government Procurement governs the rights and obligations of the Parties to the Agreement in respect of public procurement (Art. 51.1). If a Party grants a non-Party additional benefits to access its public procurement market after the entry into force of the Agreement, it will agree to enter into negotiations with a view to extending these benefits to another Party on a reciprocal basis (Art. 53). The Parties also exchange names and addresses of contact points to provide information in the field of public procurement. (Art. 52).
Competition	Chapter V; Art. 31	The Parties recognise that certain business practices, such as anti-competitive agreements or concerted practices, and abuse of a dominant position, may restrict trade between them (Art. 50). To this end, a Party will, at the request of another Party, enter into consultations with a view to eliminating such practices. The Parties may maintain monopolies or exclusives services suppliers, providing that they do not act in a manner inconsistent with their specific commitments
Investment	Chapter IV	The provisions of this Chapter apply to investors of a Party and to their investments whether made before or after the entry into force of the Agreement (Art. 38). Under Art. 39, the Parties commit to "create and maintain stable, equitable, favourable and transparent conditions for investors of the other Parties to make investments in its territory". The Agreement also provides protection to investors from dispossession and compensation for investors' losses due to armed conflict or civil strife in the territory of a Party (Art. 42). The settlement of disputes between an investor and a Party is described in Art. 48.

General reservations	Arts. 33-34	General and security exceptions are provided for under Arts. 33 and 34 respectively.
Level of Government	Arts. 21.1 & 5	The Services Chapter applies to measures affecting trade in services taken by central, regional or local governments and authorities, as well as non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities. Each Party is fully responsible for the observance of all obligations and commitments under the Agreement, and shall ensure their observance by its regional and local governments and authorities, and by the non-governmental bodies.
Accessions	Art. 70	Any third State may become a Party to the Agreement, subject to terms and conditions set out in an agreement between the Parties and the invited State.
Dispute resolution	Chapter IX	The Chapter provides for dispute settlement procedures between the Parties for the avoidance or settlement of disputes arising from the Agreement. As a first step, consultations are encouraged between the Parties. Provisions on the constitution and functioning of the arbitration panel, as well as on the implementation of arbitration panel reports, are provided for in the Agreement.
Relations with other trade agreements	Art. 4	The provisions of the Agreement are without prejudice to the rights and obligations of the Parties under the WTO and any other international agreement to which they are a party.
Institutional provisions	Art. 55	A Joint Committee comprising representatives of each Party is established to supervise and administer the Agreement. The Committee can take decisions in cases provided for by the Agreement or make recommendations. It is to keep under review the further removal of barriers to trade and other restrictive measures of commerce between the EFTA States and Singapore.
Other	Art. 67	Art. 67 contains horizontal provisions on transparency (publication of laws, regulations, administrative rulings and judicial decisions of general application, and exchange of information relating thereto between Parties).

Table 4a Singapore's exports and imports of services to the EFTA States and the rest of the world, 2002-2007
(S\$ million)

	2002	2003	2004	2005	2006	2007 ^P
Total exports	52,882.8	63,303.0	79,162.6	88,644.6	101,835.9	121,484.6
EFTA States	790.6	1,433.5	2,857.9	3,020.1	3,299.1	4,687.7
Iceland	(s)	-	0.1	0.8	2.1	1.5
Liechtenstein	1.3	7.2	10.3	10.0	11.3	40.3
Norway	153.5	209.7	594.0	750.1	870.0	1,348.9
Switzerland	635.7	1,216.6	2,253.6	2,259.2	2,415.5	3,297.0
Rest of the world	52,092.2	61,869.5	76,304.7	85,624.5	98,536.8	116,796.9
Total imports	59,946.4	69,685.8	84,050.2	91,686.4	102,938.7	112,870.0
EFTA States	460.1	1,001.4	1,823.6	2,176.2	2,034.8	2,607.1
Iceland	(s)	(s)	0.2	-	(s)	(s)
Liechtenstein	0.1	0.1	0.2	0.2	3.6	9.9

	2002	2003	2004	2005	2006	2007 ^P
Norway	191.8	299.6	565.0	783.6	611.7	779.2
Switzerland	268.2	701.5	1,258.3	1,392.4	1,418.7	1,817.6
Rest of the world	59,486.3	68,684.4	82,226.6	89,510.2	100,903.9	110,262.9

Source: Singapore Department of Statistics, International Trade in Services Survey

Note:

1. '(s)': suppressed to avoid disclosure of data of individual companies.
2. '-' denotes nil data.
3. 2007 data is preliminary

Table 4.b Singapore's exports and imports of services by categories, 2002-2007
(S\$ million)

Sector	2002	2003	2004	2005	2006	2007 ^P
Total exports	52,882.8	63,303.0	79,162.6	88,644.6	101,835.9	121,484.6
Transportation ²	21,237.9	23,294.5	28,694.0	31,690.6	35,742.3	42,705.7
Travel ¹	7,980.5	6,689.6	8,996.1	10,337.0	11,973.4	13,808.0
Insurance	1,424.5	2,141.4	2,220.2	2,008.6	2,516.1	2,557.3
Government ¹	172.4	160.4	174.8	180.4	180.3	178.0
Construction	543.2	742.6	1,093.8	901.3	881.5	1,051.6
Financial ²	2,351.3	3,203.6	4,140.9	5,073.7	6,826.2	9,867.1
Computer and information	632.0	699.0	819.4	855.2	1,928.6	2,071.8
Royalties	364.7	342.2	836.7	1,038.1	1,014.9	1,237.3
Social	226.5	268.6	312.9	299.7	323.0	360.0
Other business services ²	17,949.8	25,761.1	31,873.8	36,260.0	40,449.6	47,647.8
Total imports	59,946.4	69,685.8	84,050.2	91,686.4	102,938.7	112,870.0
Transportation ²	19,065.8	22,740.3	30,150.8	33,920.8	37,840.1	43,854.0
Travel ¹	14,693.7	14,594.4	15,694.5	16,764.3	17,644.6	18,766.5
Insurance	2,752.0	2,809.2	2,879.3	3,198.7	3,331.5	3,691.8
Government ¹	219.2	230.1	299.9	308.2	297.1	302.8
Construction	236.8	246.6	548.8	338.6	297.9	384.2
Financial ²	766.0	875.3	1,125.4	1,187.3	1,841.1	2,643.0
Computer and information	487.5	575.3	532.4	642.7	1,031.9	1,008.2
Royalties	8,576.0	11,556.7	13,374.6	15,514.5	14,276.4	13,482.6
Social	475.1	419.8	453.0	463.7	414.6	418.4
Other business services ²	12,674.3	15,638.1	18,991.5	19,347.6	25,963.5	28,318.5

1. Data are compiled from administrative and survey sources.
2. Data are compiled from International Trade in Services survey and supplementary sources.
3. 2007 data is preliminary

Bilateral data on trade in services is not available for all EFTA Member States.