

SINGAPORE AND COSTA RICA SIGN FREE TRADE AGREEMENT

SINGAPORE, 6 April 2010 - Singapore and Costa Rica today signed the Singapore-Costa Rica Free Trade Agreement (SCRFTA), strengthening bilateral ties between the two countries.

The agreement was signed by Costa Rica's Minister of Foreign Trade, Mr Marco Ruiz and Singapore's Senior Minister of State for Trade & Industry and Education, Mr S Iswaran in Singapore.

The SCRFTA is a broad-based and comprehensive agreement, covering issues such as trade in goods, rules of origin, customs procedures, sanitary and phytosanitary (SPS) measures, technical barriers to trade (TBT), trade remedies, government procurement, competition policy, trade in services, investment, electronic commerce (e-commerce), intellectual property rights (IPR), bilateral cooperation, transparency, institutional provisions and dispute settlement.

The SCRFTA will enhance bilateral economic relations by reducing and removing barriers to trade. This will create opportunities for businesses from both countries to grow their links in each other's markets. The key outcomes for the Agreement include:

- Tariff elimination for all products – Costa Rica will be eliminating customs duties for 90.6% of its tariff lines upon entry into force of the agreement with the tariff on the remaining products to be eliminated over a period of 10 years, with the possibility of accelerated tariff elimination. On our part, Singapore would be granting immediate duty free access for all imports from Costa Rica upon entry into force of the agreement;
- Increased trade facilitation by enhancing cooperation and improving transparency relating to sanitary and phytosanitary measures, standards and conformance as well as customs procedures;
- A liberalising framework that will encourage trade in services and investments flows between the countries;
- A commitment from the parties to ensure that companies from the other party would be able to compete on an equal footing with domestic suppliers for government procurement contracts, above certain thresholds; and

- Establishing a framework for cooperation in wide-ranging areas to promote economic and social development in both countries.

Singapore and Costa Rica announced the launch of negotiations for a bilateral FTA on 2 December 2008. The announcement was made during an official visit to Singapore by the President of Costa Rica, Dr Oscar Arias Sanchez. Formal FTA negotiations commenced in April 2009 and concluded after four rounds of negotiations.

International Enterprise Singapore (IE Singapore) will organise seminars and workshops to inform companies how they can utilise the benefit of the SCRFTA when the FTA is about to enter into force. For more information, companies may refer to the official FTA website at <http://www.fta.gov.sg>.

Trade between Costa Rica and Singapore

Costa Rica is Singapore's 8th largest trading partner in Latin America, with trade in 2009 valued at S\$413.7 million, while Singapore is Costa Rica's 2nd largest trading partner in South East Asia and largest destination for Costa Rican intelligent cards and medical prosthesis in the region.

MINISTRY OF TRADE AND INDUSTRY, SINGAPORE

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