

# Free Trade Agreement Study

## Understanding FTA Usage and Non-Tariff Barriers

Prepared for: Singapore Business Federation

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**Date: 21 March 2024**



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## PROJECT BACKGROUND

The Singapore Business Federation (SBF) is the apex business chamber in Singapore. Representing 28,000 companies, it champions the interests of the Singapore business community in the areas of trade, investments, and industrial relations locally and abroad. Apart from serving businesses, SBF also represents key local and foreign business chambers.

Singapore has a network of 27 bilateral and regional Free Trade Agreements (FTAs) / Economic Partnership Agreements (EPAs). Singapore companies are strategically positioned and equipped for easier entry and greater access to overseas markets.

## PROJECT OBJECTIVES

SBF has been tracking the year-on-year FTA awareness and utilisation rates and understands that many businesses have developed basic awareness or are interested to learn more about the benefits of and challenges faced by local businesses when using FTAs.

Hence the objectives of the 2023 FTA survey are to:

- ✓ Evaluate the awareness level of FTA-related resources and how their adoption can be increased / made more effective;
- ✓ Identify the non-tariff related barriers focusing on the various chapters of FTAs to better understand the awareness level of Singapore businesses; and
- ✓ Provide recommendations to SBF to offer customised / relevant and targeted events / workshops.



## PROJECT PHASES

### PHASE 1: QUANTITATIVE SURVEY

- Collected 804 complete survey responses
- To assess:
  - ✓ FTA awareness and usage levels
  - ✓ Non-tariff related barriers/issues faced by companies
  - ✓ Awareness of FTA (training/information) related sources
  - ✓ Year-on-year comparison (if applicable)

### PHASE 2: QUALITATIVE FOCUS GROUP DISCUSSION

- ~9 focus group discussions with 3 to 5 respondents per session
- To understand:
  - ✓ Areas within FTAs that have not been previously explored in detail, including their use cases, chapters / provisions, and FTA tools
  - ✓ Situations that businesses encounter 'on- the-ground' across all types of trade
  - ✓ Avenues for further support and improvement by SBF and other government stakeholders

Completed in  
November 2023

Completed in  
March 2024

A sample of 804 survey responses were collected after data cleaning and were analysed for the interim report

Sample of Respondents			
Total no. of completes <i>(after data cleaning)</i>		804	
Type of Business			
		Quota	Total n
Trade in Goods <sup>a</sup>	Manufacture (but not export) products	Max. 603 <i>(75% of total)</i>	490
	Manufacture and export products		
	Import and re-export distributor		
Trade in Services and Investments <sup>a</sup>	Provide services locally	Min. 201 <i>(25% of total)</i>	442
	Provide services overseas		
	Invest overseas		

A total of 9 Focus Group Discussion (FGD) sessions were conducted, consisting of 32 respondents.

Sample of Respondents	
<b>Total no. of respondents</b>	<b>32</b>
FGD Groups	
By Group	No. of Respondents per Group
• Session 1 (Pilot)	2
• Session 2	3
• Session 3	4
• Session 4	5
• Session 5	3
• Session 6	4
• Session 7	4
• Session 8	3
• Session 9	4
By Industry	No. of Respondents by Industry
✓ Administrative and Support Service Activities	2
✓ Financial and Insurance Activities	1
✓ Information and Communications	2
✓ Manufacturing (food or animal related products)	3
✓ Manufacturing (non-food or animal related products)	8
✓ Professional, Scientific and Technical Activities	6
✓ Transportation and Storage	2
✓ Wholesale and Retail Trade	8

Note: (a) Does not add up to 100% as Trade in Goods, Services and Investments were a multiple answer question

### Free Trade Agreements Related

<b>ASEAN</b>	The Association of Southeast Asian Nations
<b>BITs</b>	Bilateral Investment Treaties
<b>ERG</b>	Expeditious Release of Goods
<b>FTA</b>	Free Trade Agreements
<b>HS Code</b>	Harmonised System Code
<b>NTB</b>	Non-Tariff Barriers
<b>PCO</b>	Preferential Certificate of Origin
<b>PSR</b>	Product Specific Rules
<b>ROO</b>	Rules of Origin
<b>SPS</b>	Sanitary and Phytosanitary Measures
<b>STRACAP</b>	Standards, Technical Regulations and Conformity Assessment Procedure
<b>TBT</b>	Technical Barriers to Trade

### Modes of Service

<b>Mode 1: Cross-border Services</b>	You provide a service from your company in Singapore to a customer in another market
<b>Mode 2: Consumption Abroad</b>	You provide a service to foreign customers in Singapore
<b>Mode 3: Commercial Presence</b>	You set up a company overseas to provide services to customers in-market
<b>Mode 4: Movement of Natural Persons</b>	You travel to another market to provide the service in-person

### Organizations

<b>ESG</b>	Enterprise Singapore
<b>MTI</b>	Ministry of Trade and Industry
<b>SBF</b>	Singapore Business Federation
<b>WTO</b>	World Trade Organisation

### Type of Industries

<b>FIA</b>	Financial and Insurance Activities
<b>MFA</b>	Manufacturing – Food or Animal-Related Product
<b>T&amp;S</b>	Transportation and Storage
<b>WRT</b>	Wholesale and Retail Trade

### Type of Trade

<b>TIG</b>	Trade in Goods
<b>TII</b>	Trade in Investments
<b>TIS</b>	Trade in Services
<b>TS&amp;I</b>	Trade in Services and Investments

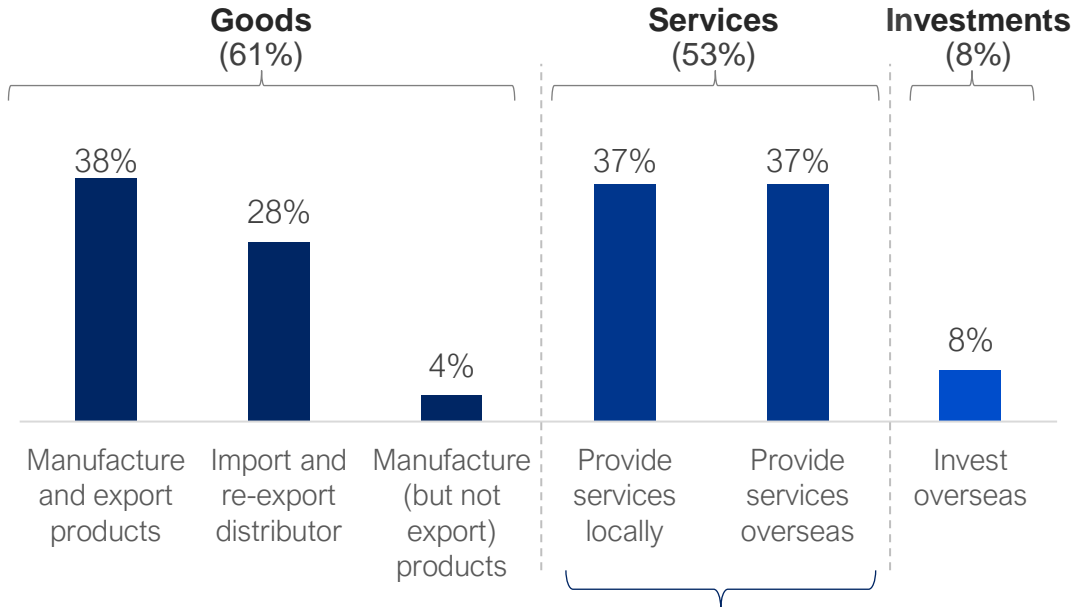


# **SURVEY RESPONDENT DEMOGRAPHICS**

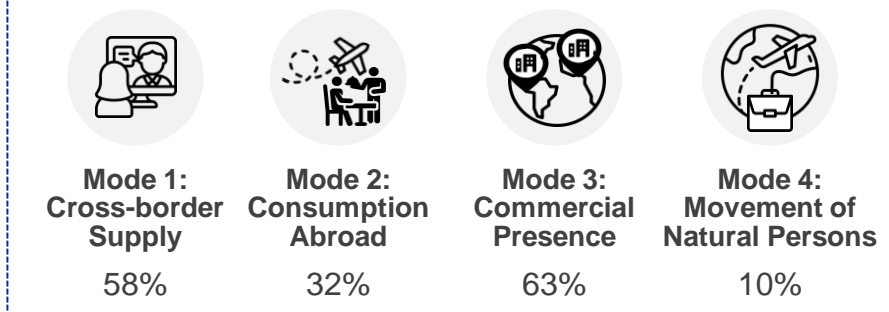
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## Respondents were from diverse industries trading in a mix of goods, services and investments

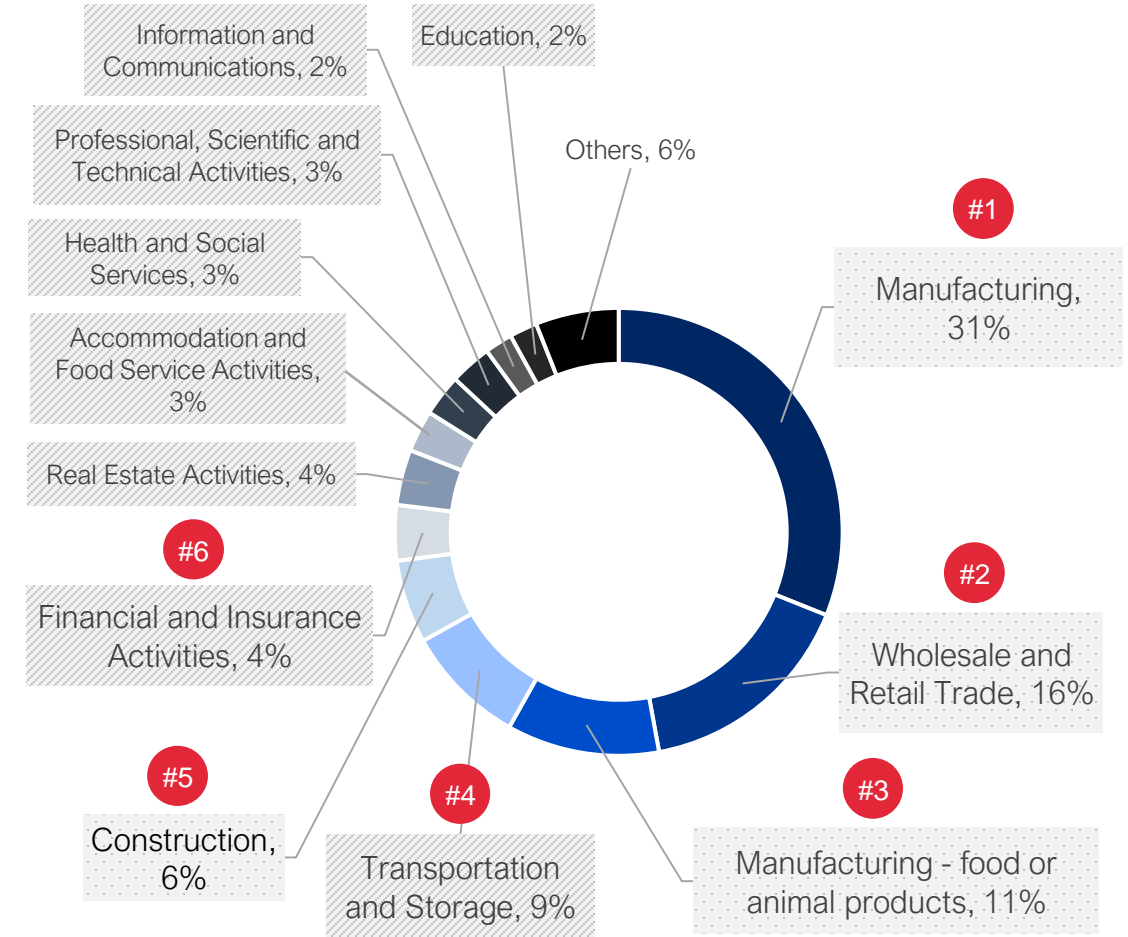
**Type of Business<sup>a</sup>** (n=804)



**Mode of Service Rendered<sup>b</sup>** (n=377)














**Industry of Operation** (n=804)



Note: (a) Does not add up to 100% as it is a multiple answer question; (b) Only those that TIS and indicated that they were aware of TIS chapters answered this question  
Source: FTA Survey

Legend: Trade in Goods Industries Trade in Services and Investment Industries

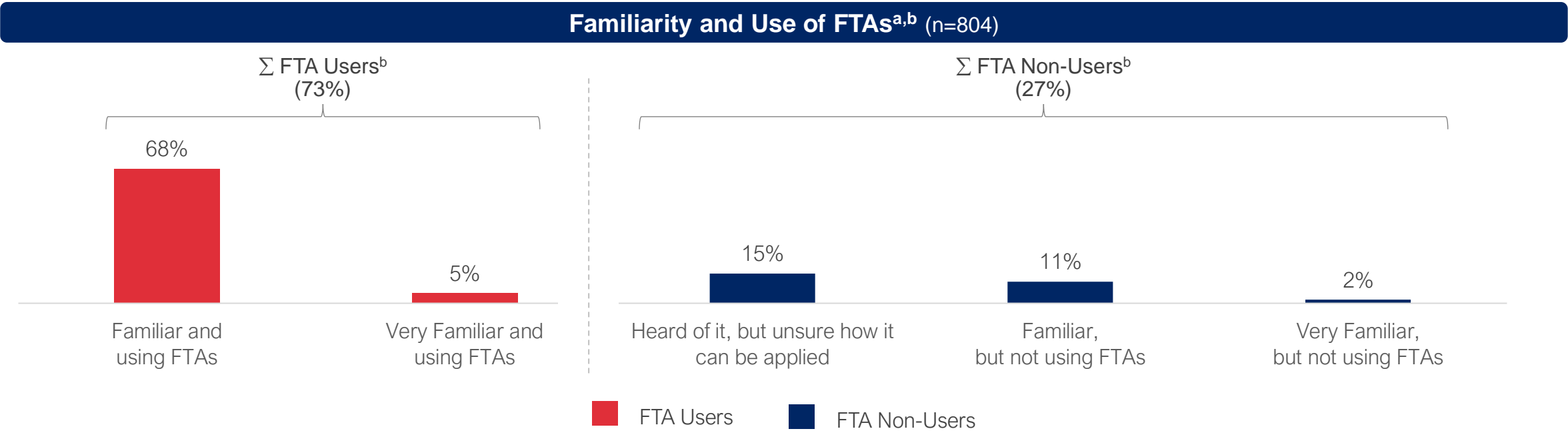
Respondents were grouped into three segments for analysis: 1) FTA Usage; 2) Type of Trade; and 3) Top Industries

Segment Category	Segment Group		Base (n)	%
FTA Usage	 Users		585	73%
	 Non-Users		219	27%
	<b>Total</b>		<b>804</b>	<b>100%</b>
Type of Trade <sup>a</sup>	 Trade in Goods (TIG)		490	61%
	 Trade in Services and Investments (TS&I)		442	55%
	<b>Total</b>		<b>804</b>	<b>100%</b>
Top Industries	TIG Industries	 Manufacturing	246	31%
		 Wholesale and Retail Trade (WRT)	130	16%
		 Manufacturing - food or animal products (MFA)	92	11%
		 Construction	49	6%
	TS&I Industries	 Transportation and Storage (T&S)	69	9%
		 Financial and Insurance Activities (FIA)	32	4%
		 Others <sup>b</sup>	186	23%
	<b>Total</b>		<b>804</b>	<b>100%</b>

Notes: (a) Does not add up to 100% as it is a multiple answer question; (b) Others not included in segment analysis

Source: FTA Survey

All respondents have heard of FTAs, while about 7 in 10 were using FTAs. More TIG respondents use FTAs than those in TS&I, while the manufacturing, MFA and T&S industries were using FTAs most across industries



Familiarity and Use of FTAs – By Segments

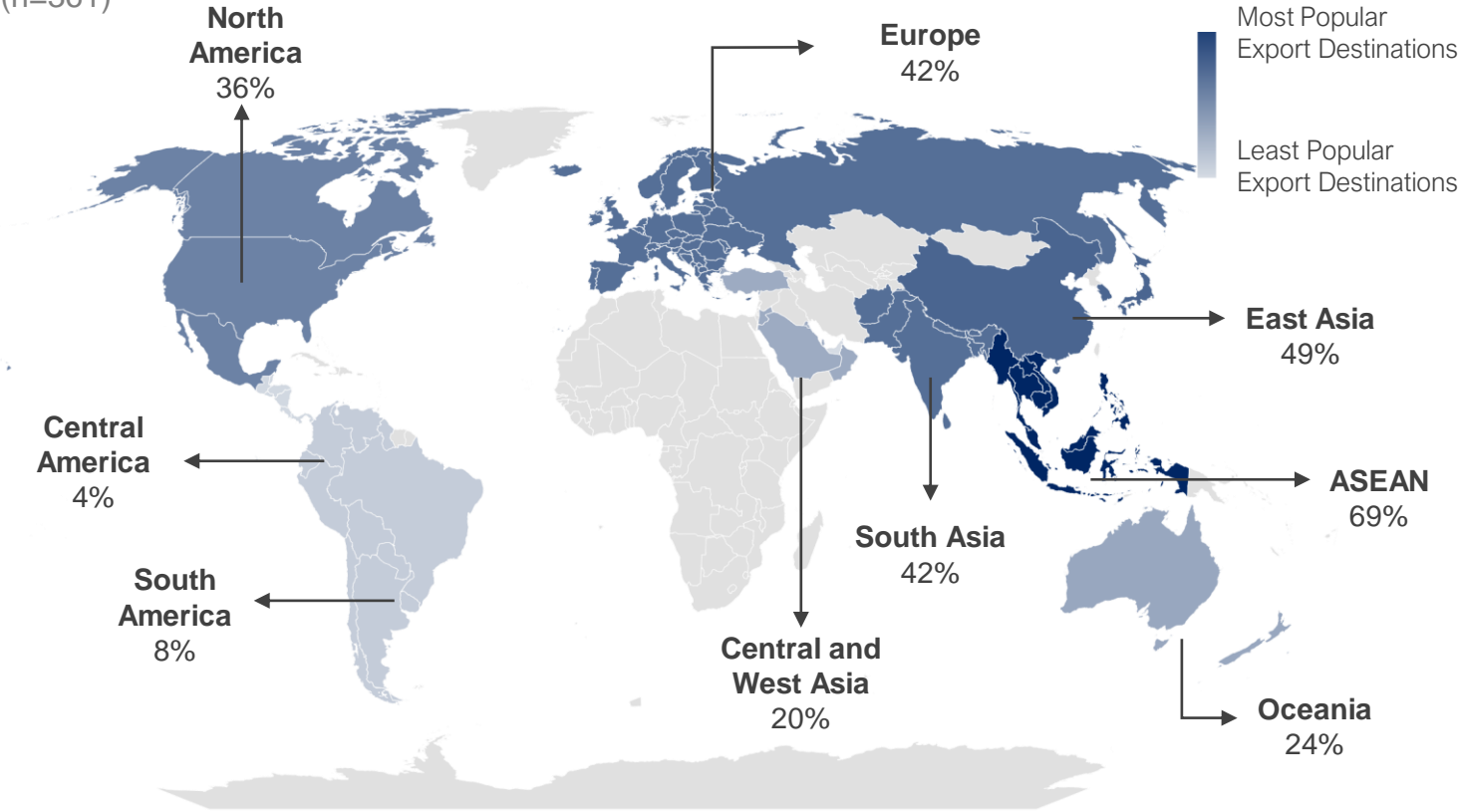
		Type of Trade		Top Industries					
		TIG	TS&I	Manufacturing	WRT	MFA	Construction	T&S	FIA
Base (n)	804	490	442	246	130	92	49	69	32
Users	73%	74%	71%	84%	65%	82%	49%	87%	72%
Non-Users	27%	26%	29%	16%	35%	18%	51%	13%	28%

Note: (a) Respondents who “Never heard of it (FTAs)” were screened out, n=10; (b) Numbers do not add up to 100% due to rounding; (c) Due to question wording, a direct comparison cannot be made for FTA use, however, approximately 50% of businesses surveyed were using FTAs in 2021  
Source: FTA Survey

Most respondents considered Asian markets as their key trading destinations. In particular, ASEAN markets, Malaysia, Thailand, and Indonesia were ranked as top export destinations

Export Regions Now...

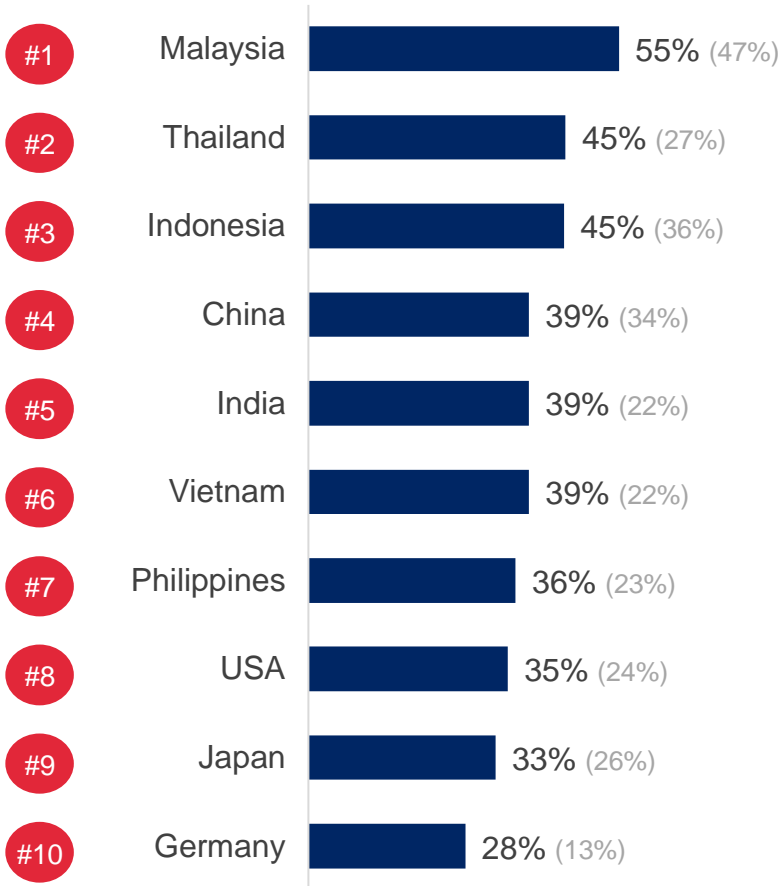
(n=361)



While 6% indicated they do not currently export to any markets

Top 10 Export Markets Now<sup>a</sup>...

(n=341)



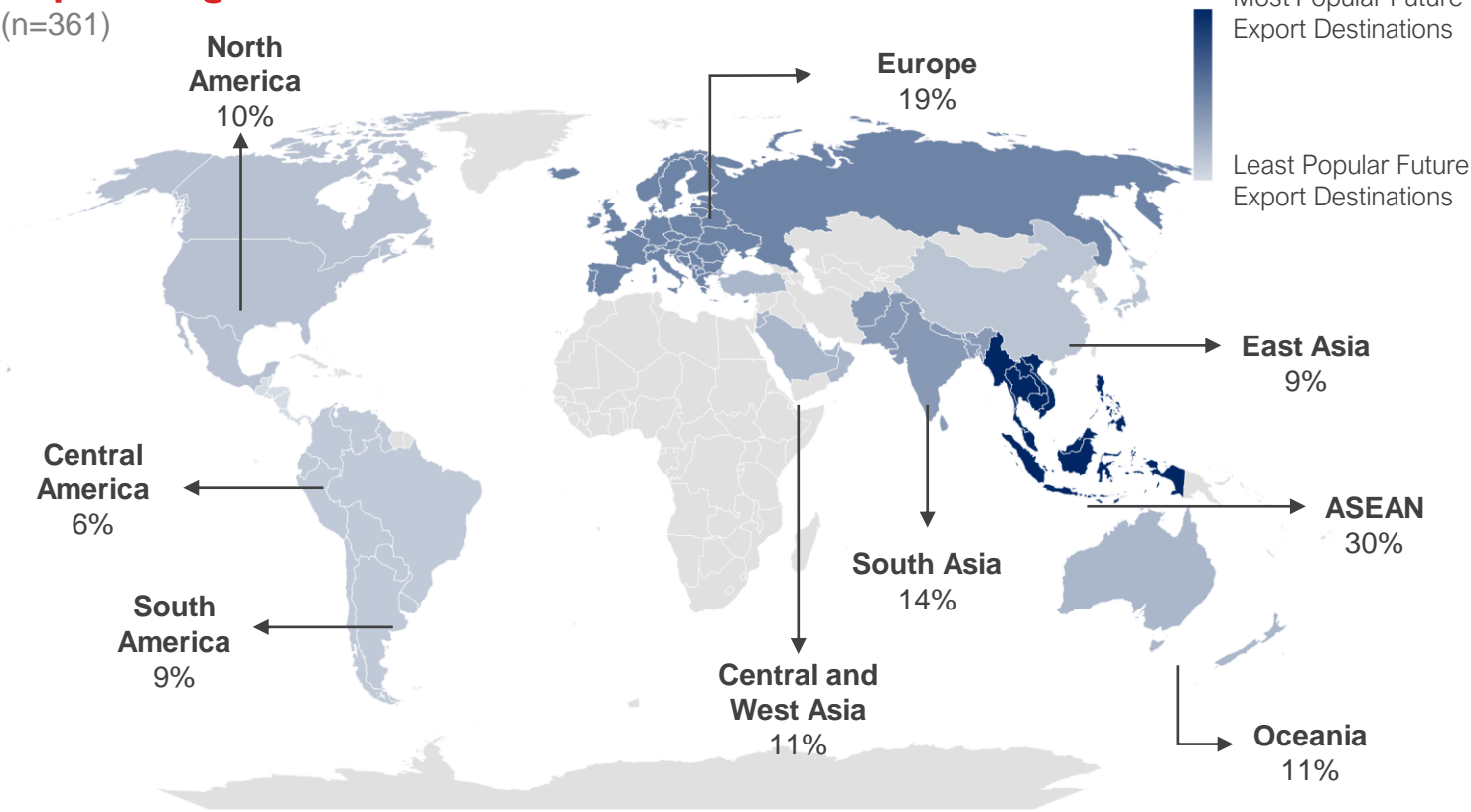
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Notes: (a) Numbers in brackets denote survey data from 2021  
Source: FTA Survey

Most businesses viewed Asian markets as their primary trading destinations in the future. In particular, ASEAN markets, Malaysia, Indonesia, and the Philippines were ranked as top potential export destinations

Export Regions in the Next 5 Years...

(n=361)

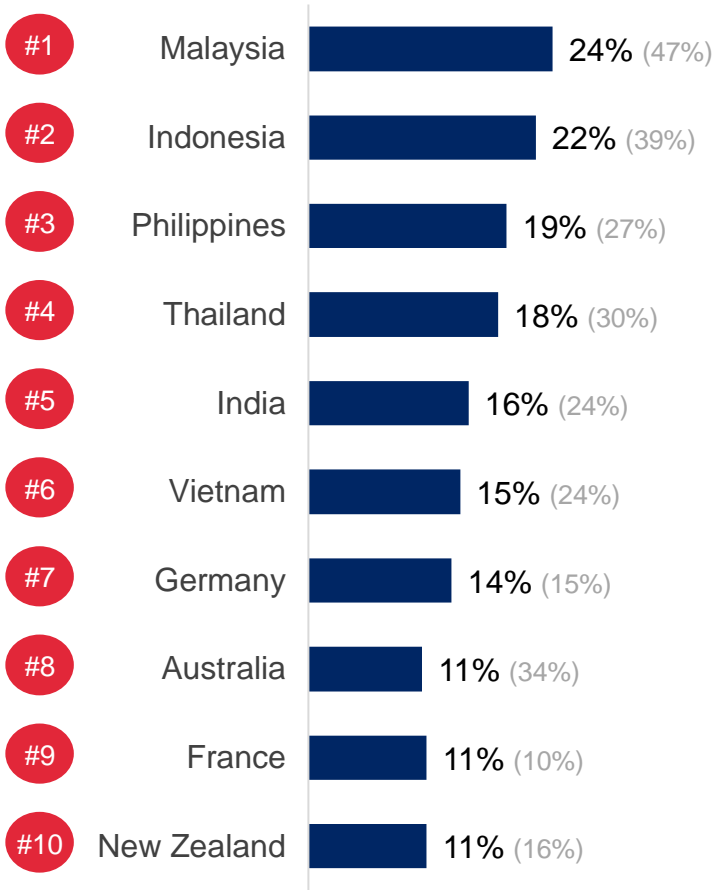


While 32% indicated they do not plan to export to new markets in the next 5 years

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Top 10 Export Markets in the Next 5 Years<sup>a</sup>...

(n=244)



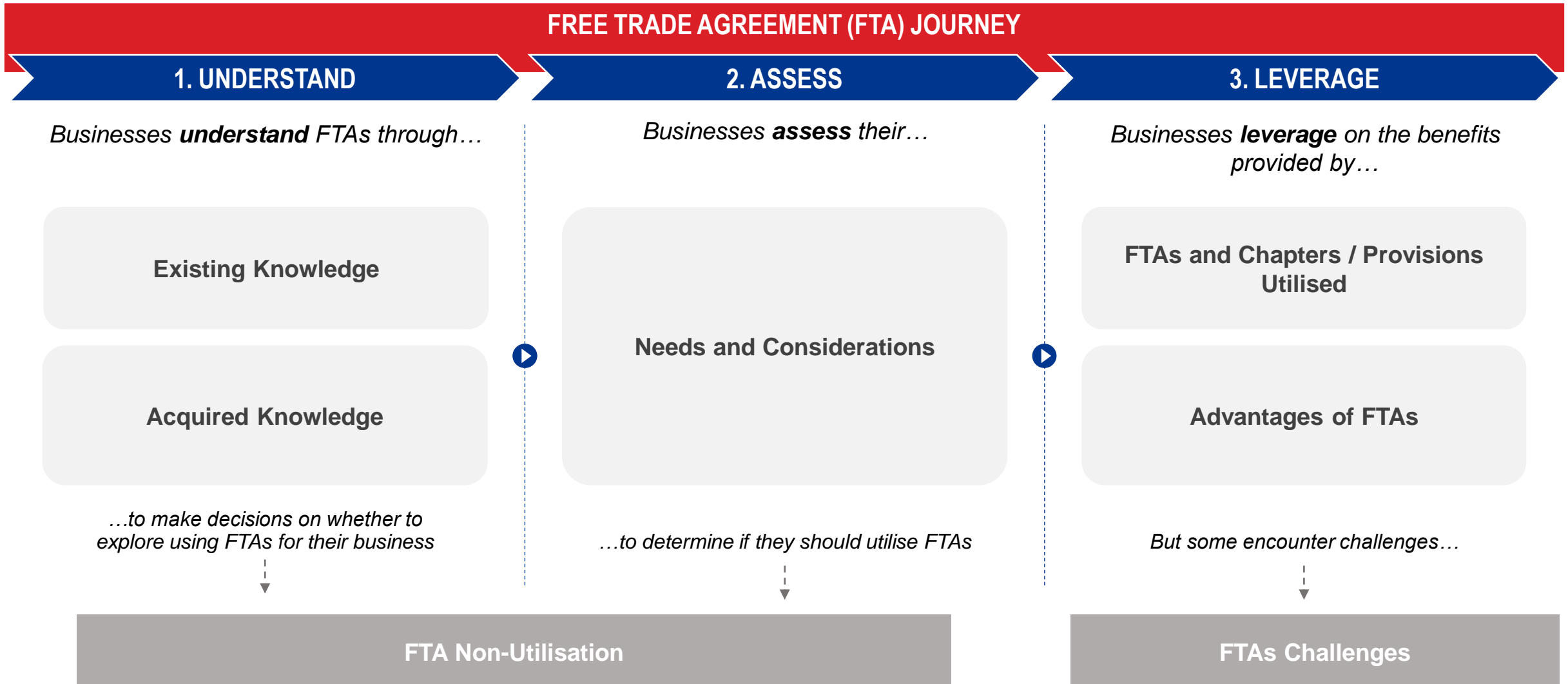


**YAMADA  
CONSULTING  
& SPIRE**

# **FREE TRADE AGREEMENT JOURNEY**

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In the FTA Journey, businesses must first understand FTAs, assess their needs and considerations to determine FTA's suitability, and may leverage the benefits of FTAs. However, some encounter challenges utilising FTAs



# EXECUTIVE SUMMARY

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Most businesses had a basic understanding of FTAs, expressed that they were facing NTB when they assessed their business needs to determine FTA's suitability, and effectively leveraged FTAs to enhance overseas trade

## FREE TRADE AGREEMENT (FTA) JOURNEY

### 1. UNDERSTAND

Businesses **UNDERSTAND** FTAs through...

#### 1a Existing Knowledge

- ✓ **High awareness** of FTAs in available markets
- ✓ **Moderate awareness** of specific FTA chapters and provisions

#### 1b Acquired Knowledge

- ✓ **Actively searched** for information relating to FTAs
- ✓ **Local online channels from trusted sources** (e.g. government, in-market experts, etc.) **were utilised most**

...to make decisions on whether to explore using FTAs for their business

### 2. ASSESS

Businesses **ASSESS** their...

#### 2a Needs and Considerations

- ✓ **Experienced Non-Tariff Barriers (NTB)** when trading in goods, services and/or investments – especially in **Asian markets**
  - **Slightly more Non-Users** than Users face difficulties trading in **good and services overseas**, while more Users face difficulties **investing overseas**
- ✓ **Some consider FTA s with Government procurement chapters more attractive**

...to determine if they should utilise FTAs

### 3. LEVERAGE

Businesses **LEVERAGE** on the benefits provided by...

#### 3a FTAs and Provisions Utilised

- ✓ **73% of businesses were using FTAs**
  - Top utilised FTAs: **AFTA, EUSFTA and RCEP**
  - TBT/STRACAP provisions: **Standards, Technical Regulations, and Transparency provisions**

#### 3b Advantages of FTAs

- ✓ **Found FTAs helpful and beneficial to their business**
  - **Advanced ruling** (i.e., tariff classification, valuation and origin)
  - **E-Commerce chapters**

But some encounter challenges...

#### 2b FTA Non-Utilisation

- × **27% of businesses do not use FTAs** – believed FTAs were **not applicable to their business** or **did not have enough knowledge** about FTAs to apply for them

#### 3c FTAs Challenges

- × **Challenges faced** were largely with **provisions relating to trade in goods** and would like ESG to **follow-up on issues** and **other gaps faced**

- 1a
- Most businesses had at least basic existing knowledge of FTAS and actively acquired for information relating to
- 1b
- FTAs – however, FTA Users had a better understanding of FTAs than Non-Users

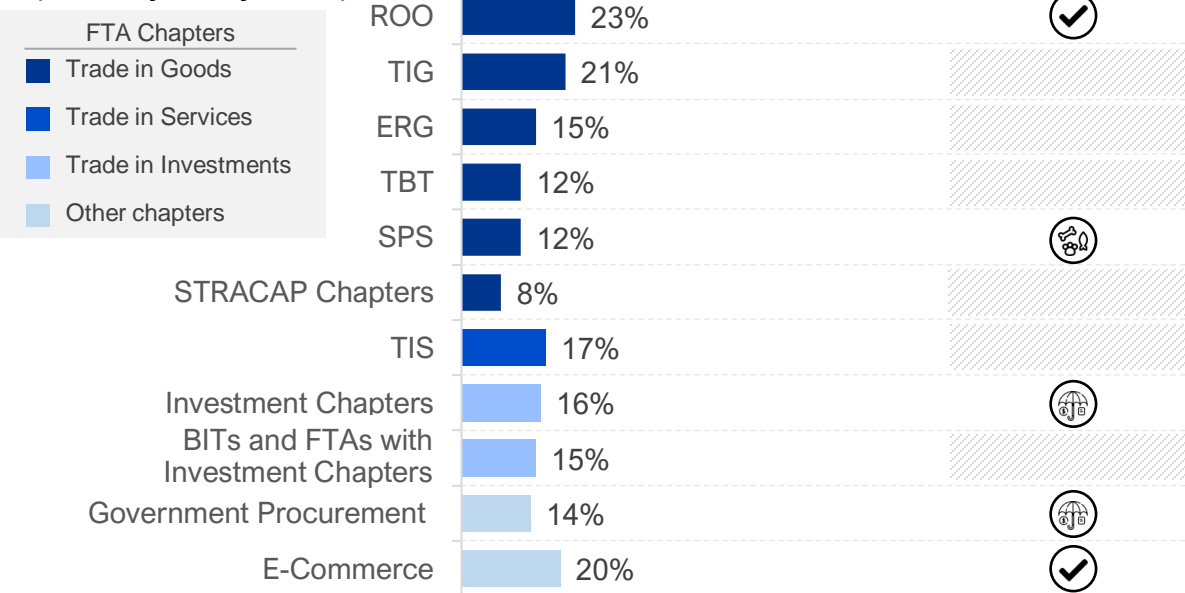
>70% had a high awareness and familiarity with available FTAs, but most lacked in-depth knowledge about chapters/provisions

High overall awareness and familiarity of FTAs

More prevalent in



Moderate knowledge about specific FTA chapters / provisions (T2B: Very + Fully Aware)



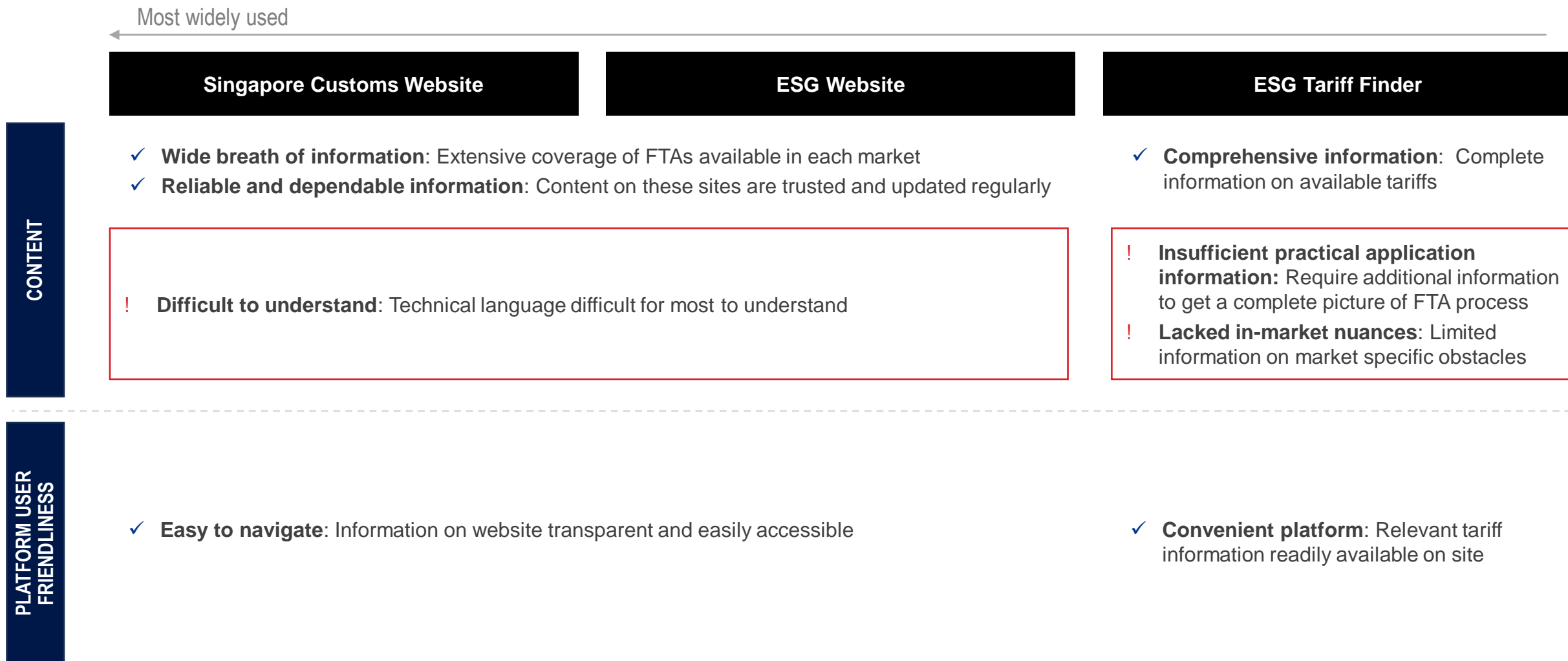
>70% actively searched for information and relied on local online channels to keep abreast with information on FTAs

90% actively searched for information on FTAs and customs procedures, while 77% kept updated on TBT updates / changes

Top Channels and Sources of Information	Local	Foreign	Online	Offline	FTA Information	Customs Procedures	TBT Updates/ Changes
Singapore Customs Website	✓		✓		#1	#1	
ESG Website	✓		✓		#2	#3	
ESG Tariff Finder	✓		✓		#3	#4	
MTI Website	✓		✓		#4	#5	
SBF FTA Education and Outreach	✓		✓	✓	#6		
Seminars / Webinars	✓	✓	✓	✓	#5		
Importing Market's Customs Website		✓	✓			#2	
In-Market Distributors		✓		✓			#1
In-Market Regulators' Websites		✓	✓				#2
WTO ePing Portal / App		✓	✓				#3
Consultants	✓	✓		✓			#4

1b

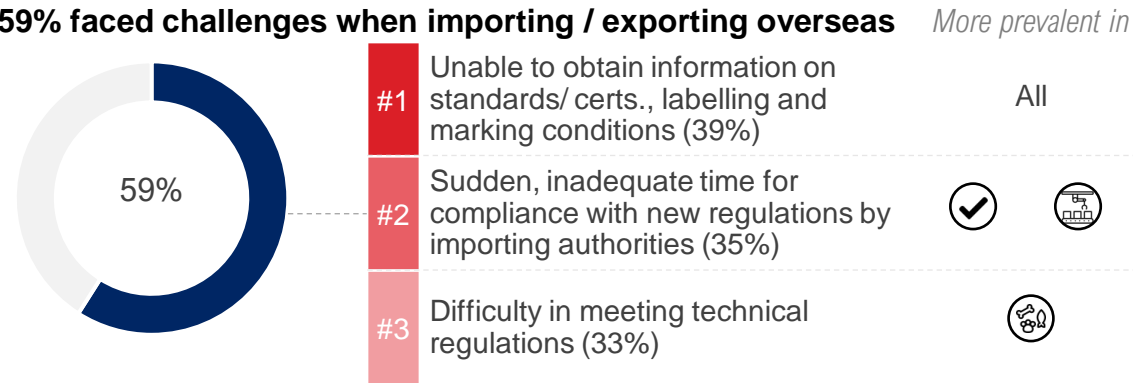
## Top 3 channels for FTA information offered reliable and comprehensive information but lack clarity in practical application and in highlighting market nuances



2a

# Amidst challenges posed by NTBs, especially in ASEAN and East Asia, businesses assess FTAs based on their distinct needs

## ≥50% of TIG businesses faced challenges trading overseas

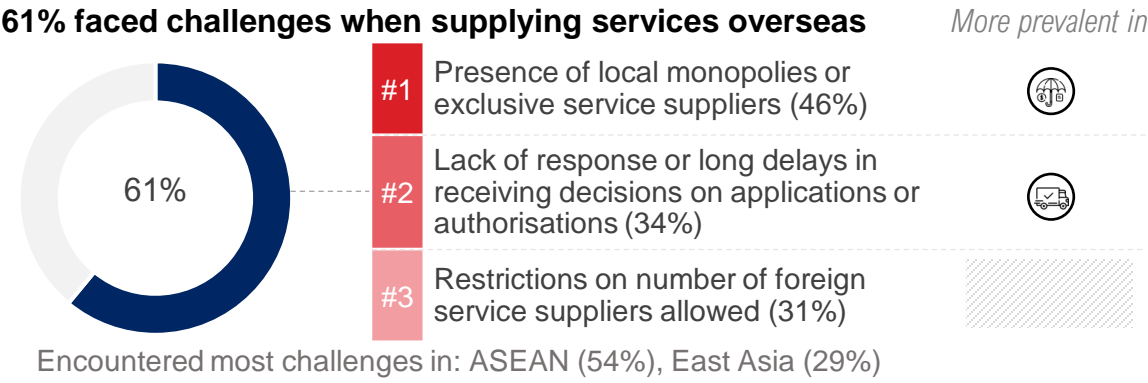


Encountered most challenges in: ASEAN (45%), East Asia (30%)



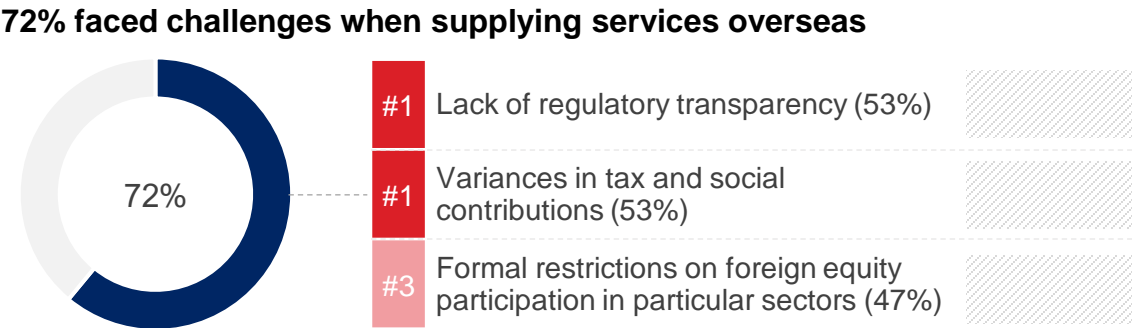
Encountered most challenges in: ASEAN (48%), East Asia (24%)

## 61% of TIS businesses faced challenges when supplying services overseas



Encountered most challenges in: ASEAN (54%), East Asia (29%)

## 72% of TII businesses faced challenges when investing overseas



Encountered most challenges in: ASEAN (45%), East Asia (32%)

2a

## Respondents trading in goods and supplying services overseas faced more regulations and customs related challenges, while those investing overseas faced more process related challenges

Respondents shared about <sup>a</sup> ...			
	Information related challenges...	Process related challenges...	Regulations and customs related challenges...
TRADE IN GOODS	<ul style="list-style-type: none"> <li>! Unable to obtain information on standards / certifications, labelling or marking conditions</li> </ul>	<ul style="list-style-type: none"> <li>! Sudden, inadequate time for compliance with new regulations by importing authorities</li> <li>! [SPS only] Lengthy approval processes</li> </ul>	<ul style="list-style-type: none"> <li>! Difficulty in meeting technical requirement</li> <li>! [SPS only] Not approved establishment</li> <li>! [SPS only] Not approved market</li> <li>! [SPS only] Unable to meet food / health safety requirements</li> </ul>
TRADE IN SERVICES		<ul style="list-style-type: none"> <li>! Insufficient assistance for legal challenges faced abroad</li> </ul>	<ul style="list-style-type: none"> <li>! Presence of local monopolies</li> <li>! Restriction on foreign labour that may be employed in a particular service sector or company</li> <li>! Governments requiring proof of certification of service suppliers</li> </ul>
TRADE IN INVESTMENTS		<ul style="list-style-type: none"> <li>! Difficulties in performing international transfers and payments</li> <li>! Difficulty faced with accessing financial services</li> <li>! Long process for obtaining investments</li> <li>! Variances in tax and social contributions</li> </ul>	<ul style="list-style-type: none"> <li>! Lack of regulatory transparency</li> <li>! Insufficient protection for investments in suspended projects overseas</li> </ul>

Legend: Areas Requiring Support

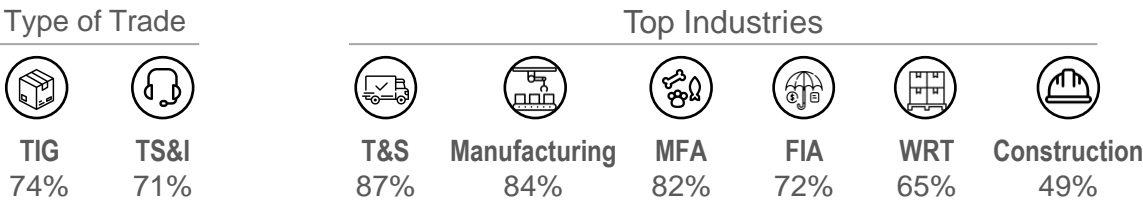
Note: (a) The challenges highlighted represent a portion of the respondents' overall experiences based on what was shared in the focus group session, thus not all identified challenges from the survey are included here

2b Most businesses indicated they were using FTAs, especially businesses in T&S, Manufacturing and MFA industries. While the main reasons for disuse was that FTAs not applicable to business and insufficient knowledge

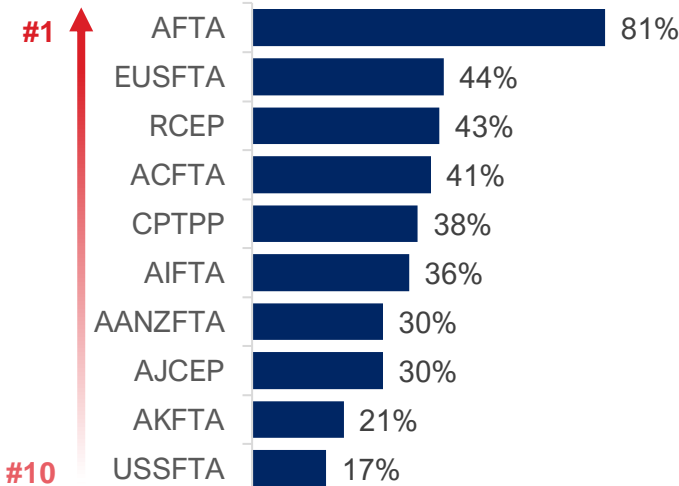
3a

72% of businesses were using FTAs

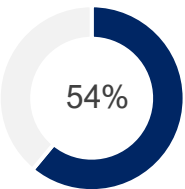
FTA utilisation breakdown by segments...



Top 10 FTAs utilised were...



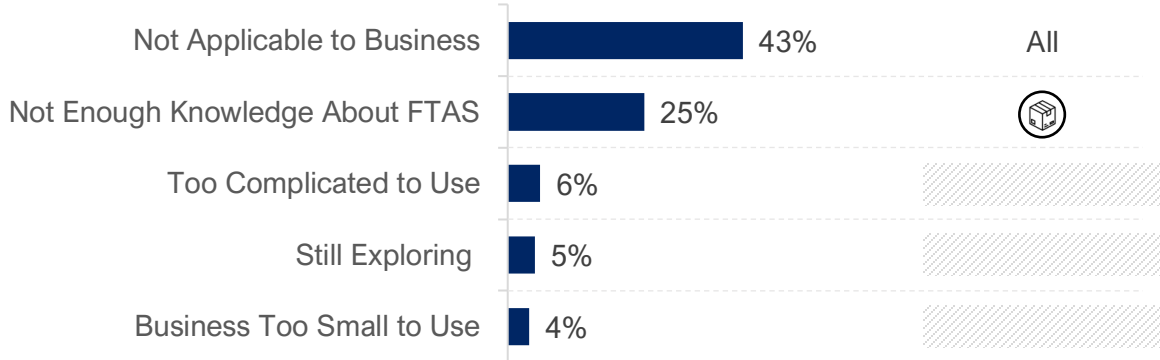
54% aware of TBT / STRACAP provisions used them



- #1 Standards provision (61%)
- #2 Technical Regulation provision (54%)
- #3 Transparency provision (51%)

28% of businesses were not using FTAs

Top 5 reasons for not utilising FTAs...



In the words of respondents (top 2 reasons)...

➤ Not applicable to business

"It is due to the **nature of our business** which **does not require FTAs** too much. But we may **consider once we expand more overseas.**"

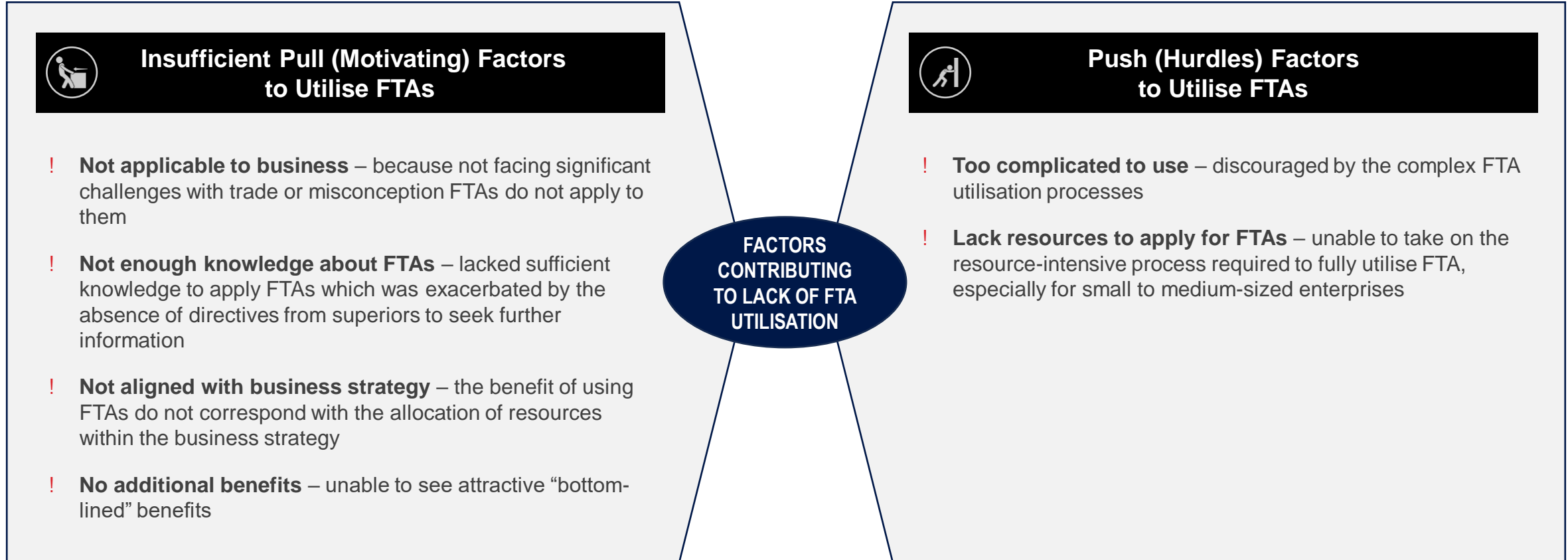
"We **do not produce any products** that **need to use FTAs** at the moment."

➤ Not enough knowledge about FTAs

"There is **no knowledge** of the **implementation** and its **benefits**"

"Do not possess the **necessary expertise and understanding** in which **FTA is applicable** in our work"

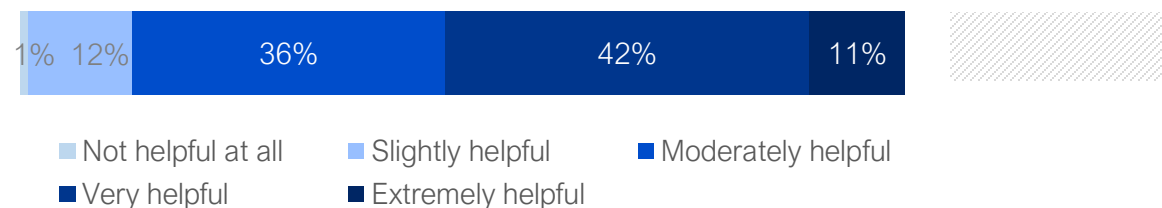
2b Respondents' lack of utilisation of FTAs primarily stemmed from a lack of pull factors, i.e., motivation to explore how FTAs could benefit their business, rather than encountering push factors, i.e., hurdles in applying for FTAs



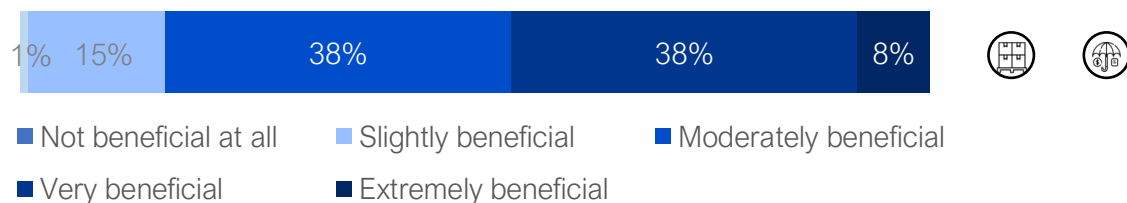
**3b** Most businesses who had leveraged FTAs found them helpful and beneficial to their business, but many also  
**3c** faced challenges when using FTAs

**53% found advanced rulings very or extremely helpful;  
 46% found e-commerce chapters very or extremely beneficial**

**Advanced rulings helped with expediting customs process** *More prevalent in*

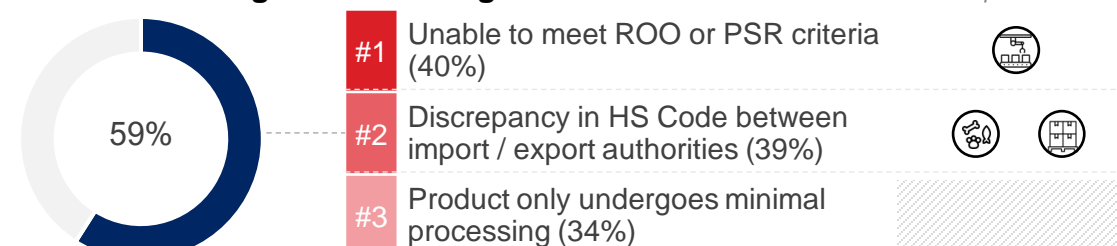


**E-commerce chapters benefitted cross border digital services**



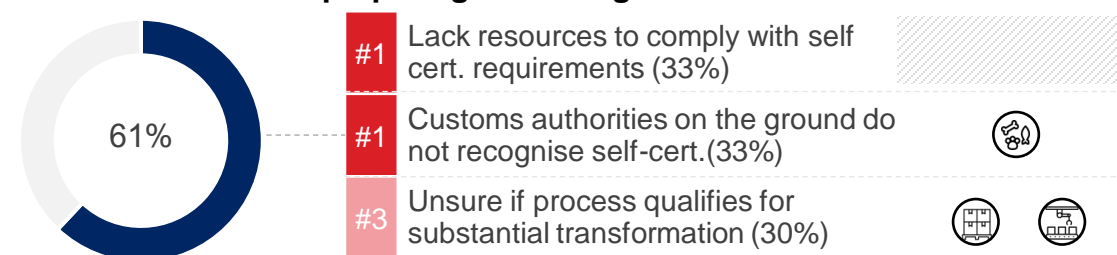
**>50% faced challenges with tariff concessions and self-certification,  
 few faced challenges when bidding overseas, and >60% seek refinement**

**59% faced challenges in obtaining tariff concessions** *More prevalent in*



Encountered most challenges in: ASEAN (49%), East Asia (25%), South Asia (19%)

**61% faced issues with preparing or issuing self-certification**

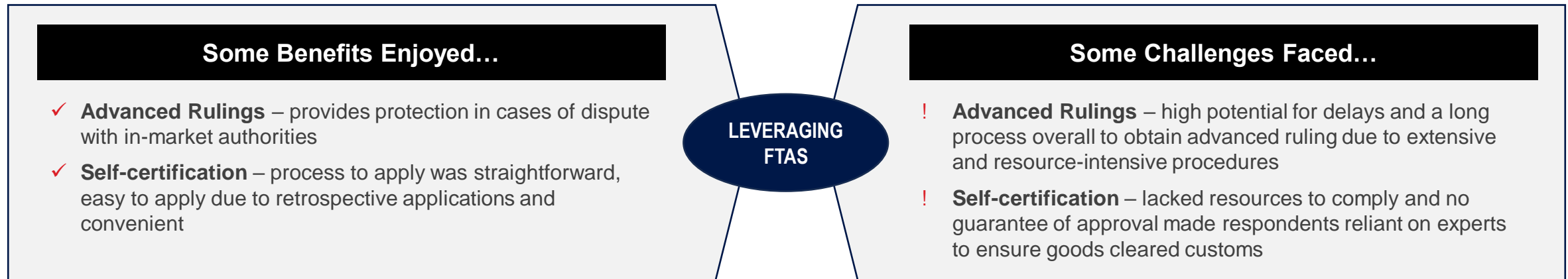


**21% faced challenges with competitive landscape, regulatory compliance when bidding for tenders overseas**

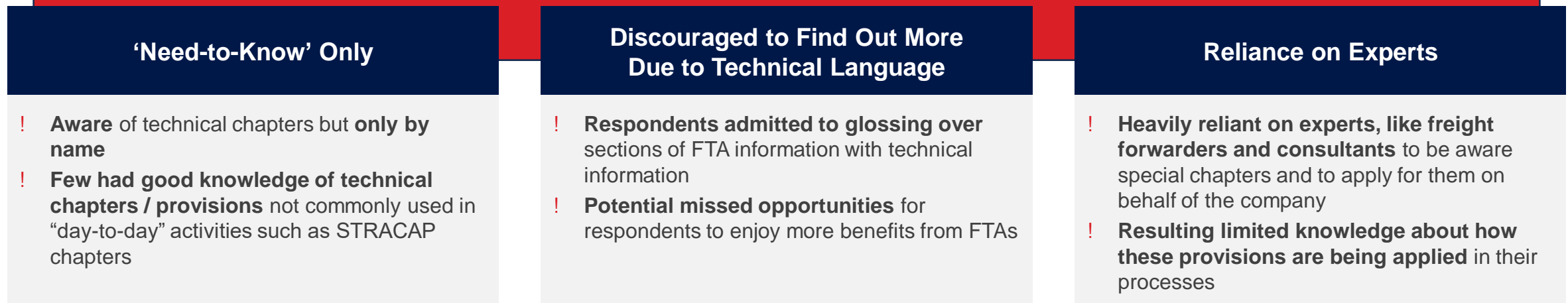
**67% would like ESG to follow-up on challenges faced such as standards and certifications**

**97% would like FTAs to include provisions that promote e-commerce and digitalisation initiative**

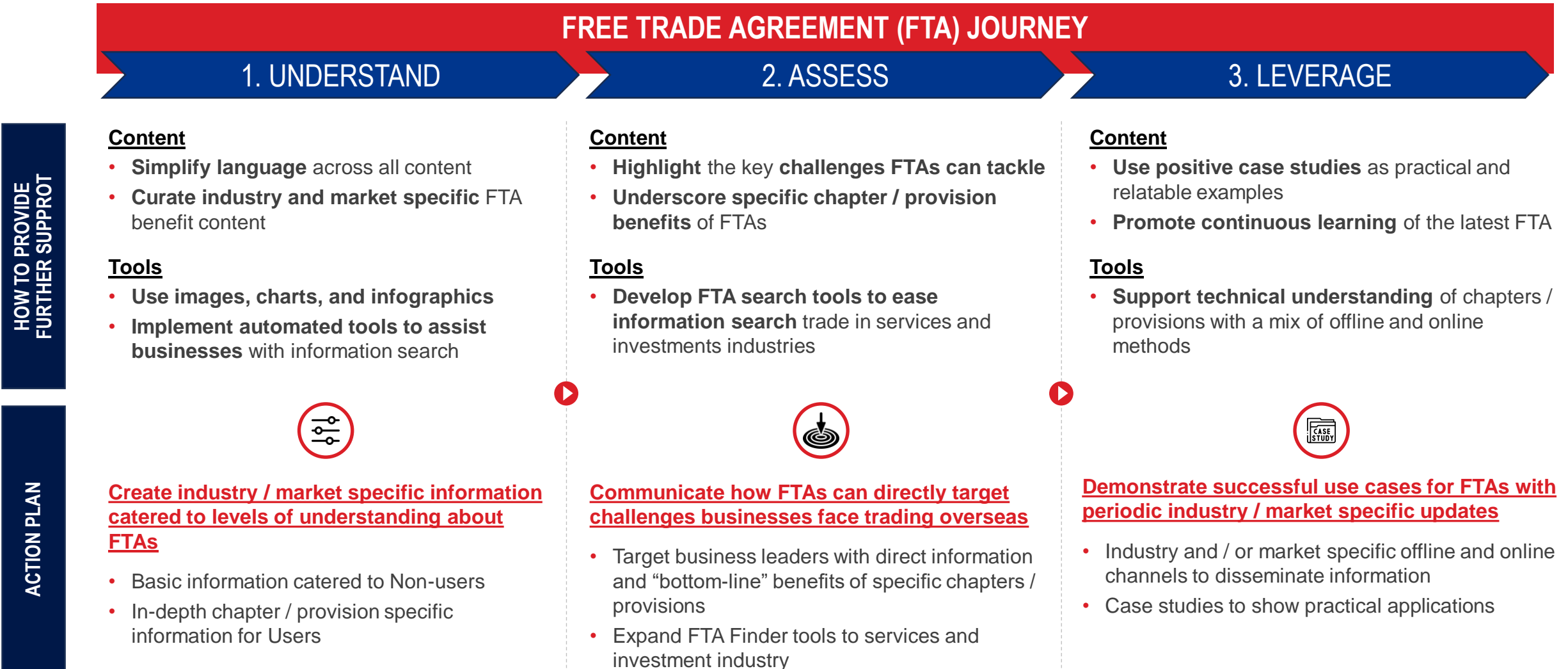
- 3b Respondents leveraging FTAs experienced both benefits and challenges. However, another factor limiting them
- 3c from fully leveraging FTAs was their superficial understanding of special chapters / provisions



*However, the limited depth of understanding of special chapters / provisions restricted the potential benefits that could be obtained*



Providing industry- or market-tailored content with the appropriate tools at each stage of the FTA journey is key to encouraging greater FTA utilisation across businesses in Singapore

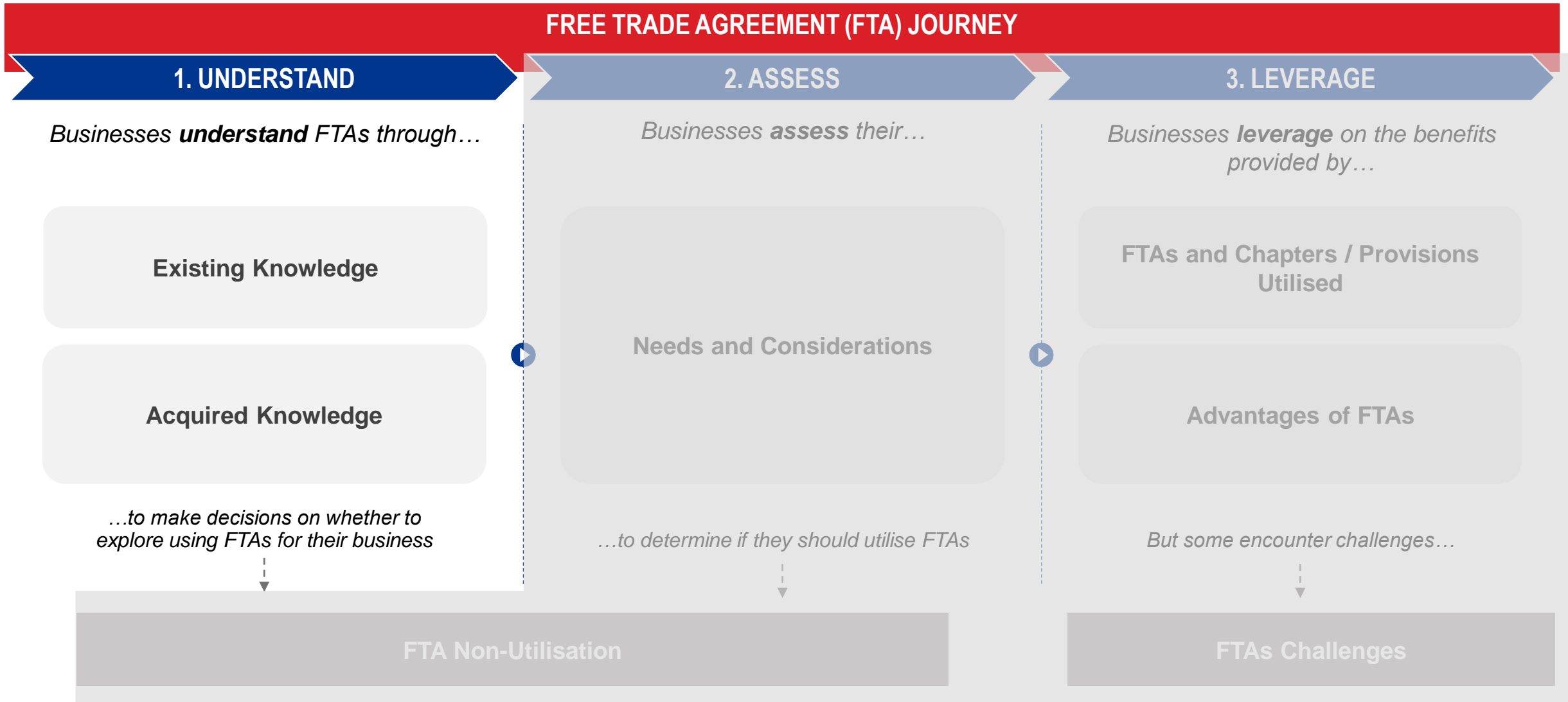


# UNDERSTAND

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- Awareness of FTAs by Markets
- General Awareness of FTA Chapters
- Awareness of Technical Barriers to Trade Chapters
- Awareness of Bilateral Investment Treaties (BITs) and FTAs with Investment Chapters
- Channels Used for Searching for Information on FTAs
- Channels Used for Searching for Information on Customs Procedures
- Information on TBT and Product and Market Changes

## Chapter Focus...



## Questions from Survey

**Section A.** **FTA, CHAPTERS & PROVISION AWARENESS**  
A4a: Which market(s) do you currently export to? Please select all that apply.  
A5: Do you know that we have an FTA with these markets?  
A9: Please indicate how aware you are of the following aspects of FTAs.

**Section B.** **TRADE IN GOODS & RULES OF ORIGIN**  
B4: Have you used the following channels when looking for information on FTAs?

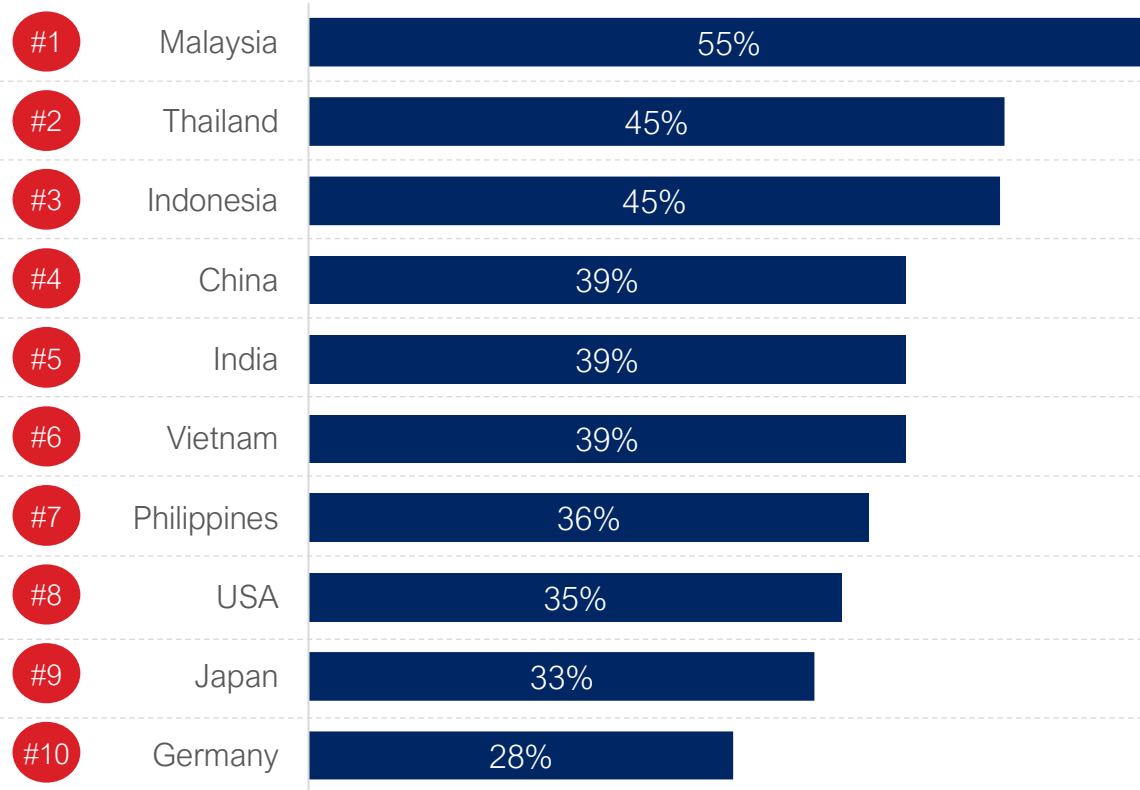
**Section C.** **CUSTOMS PROCEDURE & TRADE FACILITATION**  
C3: Where do you normally find information on customs procedures from the importation market? Please select all that apply.

**Section D.** **TECHNICAL BARRIERS TO TRADE**  
D1: What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets?  
D4a: How aware are you of the Standards, Technical Regulations and Conformity Assessment Procedure (STRACAP) chapters and their provisions in Free Trade Agreements?

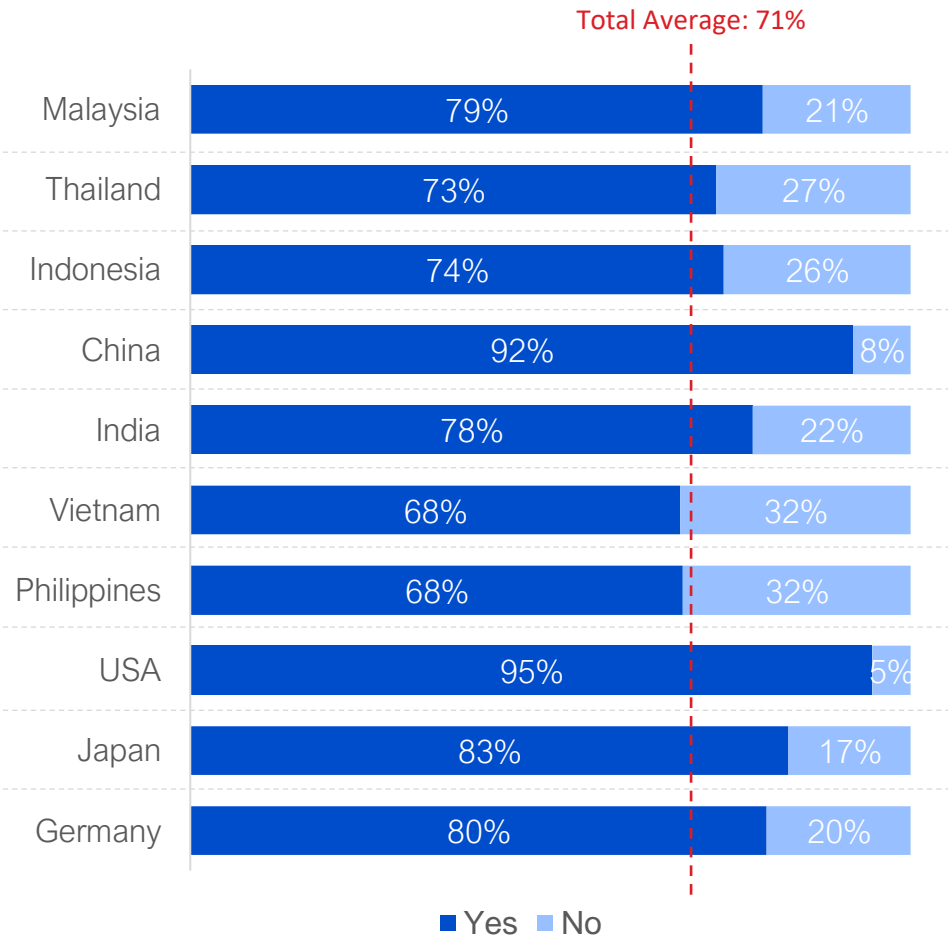
**Section G.** **INVESTMENT**  
G5: Are you aware that Singapore has Bilateral Investment Treaties and FTAs with Investment Chapters with several countries?

Exporters to the top 10 markets showed strong awareness of FTAs available in relevant markets. Those trading in China and the USA were most aware of FTAs available in their respective markets, as compared to other markets

### Top 10 Export Markets<sup>1</sup>



### Awareness of FTAs Available in Market<sup>2</sup>



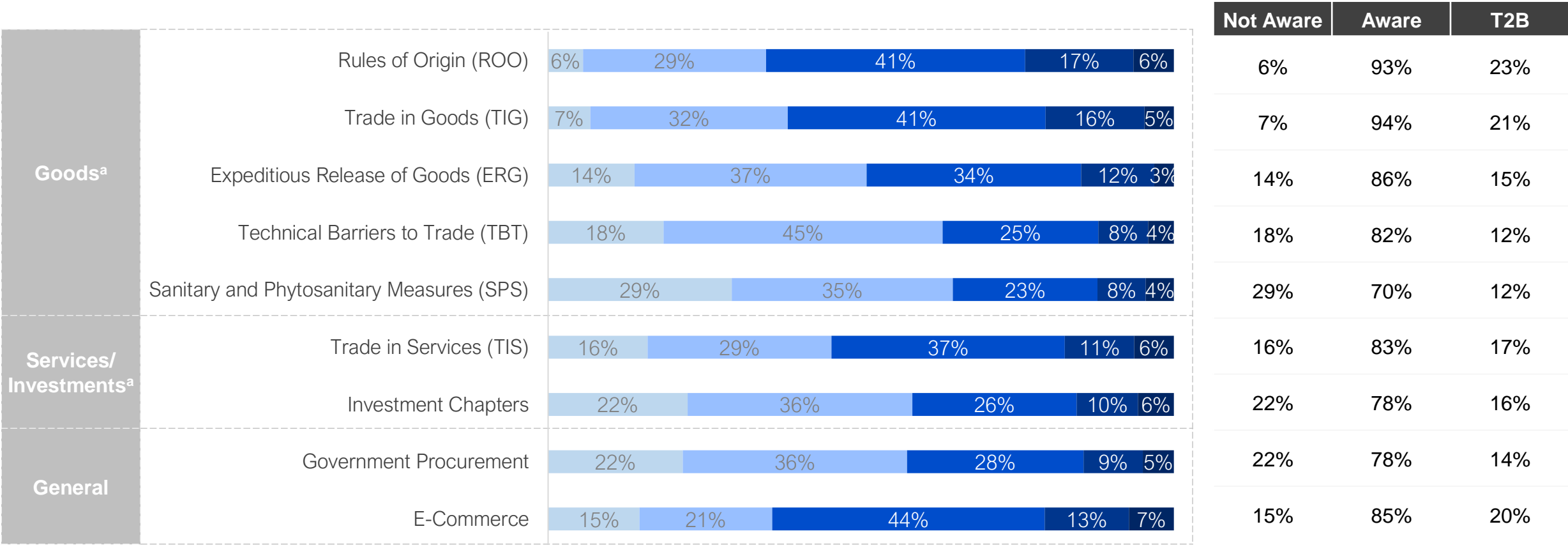
Questions:

(1) Base (n): Respondents who TIG that export overseas = 341, A4a: Which market(s) do you currently export to? Please select all that apply. [MA]

(2) Base (n): Respondents who export to markets with FTAs available = 0 to 184, A5: Do you know that we have an FTA with these markets? [MA]

Most respondents were aware of FTA chapters but did not have in-depth knowledge about them. Respondents were most aware of the ROO, TIG, and E-Commerce chapters and less aware of non-industry related chapters

Awareness of FTA Chapters<sup>1</sup>



Question:  
(1) Base (n): All respondents = 804, A9: Please indicate how aware you are of the following aspects of FTAs. [SA]

FTA Users are generally more aware of the various FTA chapters. Respondents generally have a higher awareness of the industry-specific chapters applicable to them, like SPS and investment chapters

## T2B Awareness of FTA Chapters – By Segments<sup>1</sup>

	NET	FTA Usage		Type of Trade		Top Industries					
		Users	Non-Users	TIG	TS&I	Manufacturing	WRT	MFA	Construction	T&S	FIA
Base (n)	804	585	219	490	442	246	130	87	49	69	32
ROO	24%	29%	9%	22%	25%	22%	26%	24%	12%	22%	28%
TIG	21%	24%	11%	20%	21%	20%	26%	27%	16%	28%	13%
ERG	15%	16%	11%	16%	14%	15%	15%	23%	10%	17%	3%
TBT	12%	14%	6%	7%	17%	5%	19%	12%	6%	13%	28%
SPS	12%	14%	9%	9%	16%	4%	20%	27%	6%	9%	3%
TIS	17%	21%	8%	11%	24%	8%	25%	17%	14%	17%	31%
Investment Chapters	16%	18%	8%	9%	23%	9%	16%	10%	10%	17%	44%
Government Procurement	14%	16%	10%	8%	20%	7%	19%	12%	16%	10%	31%
E-commerce	21%	26%	6%	15%	25%	17%	25%	23%	16%	19%	31%

Question:

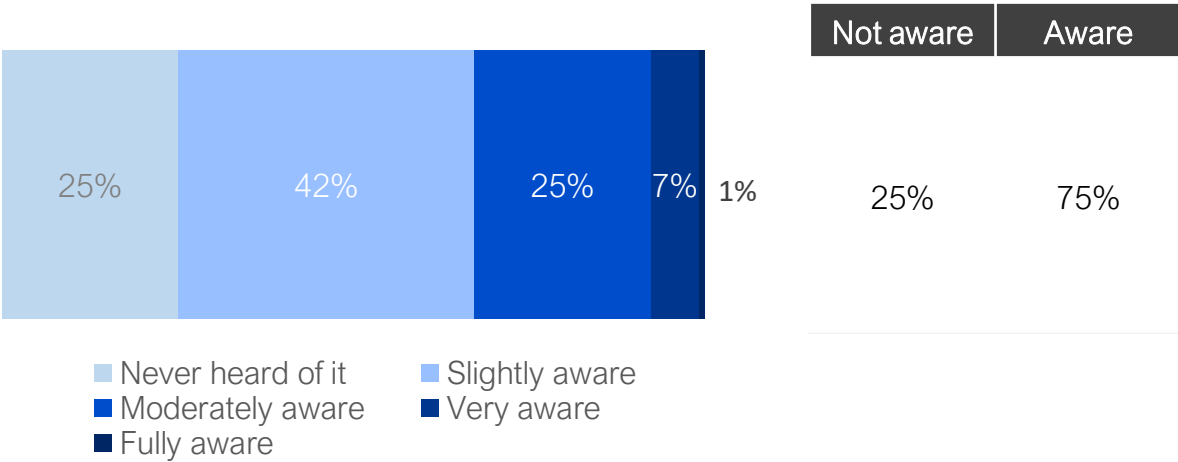
(1) Base (n): All respondents = 804, A9: Please indicate how aware you are of the following aspects of FTAs. [SA]

Source: FTA Survey

Legend:   ≥25% and significantly higher than overall (at 95% confidence interval)

75% of respondents were aware of STRACAP Chapters. More FTA Users were aware of these chapters as compared to Non-Users, with most FTA Users being at least slightly aware

Awareness of Standards, Technical Regulations and Conformity Assessment Procedure (STRACAP) Chapters<sup>1</sup>



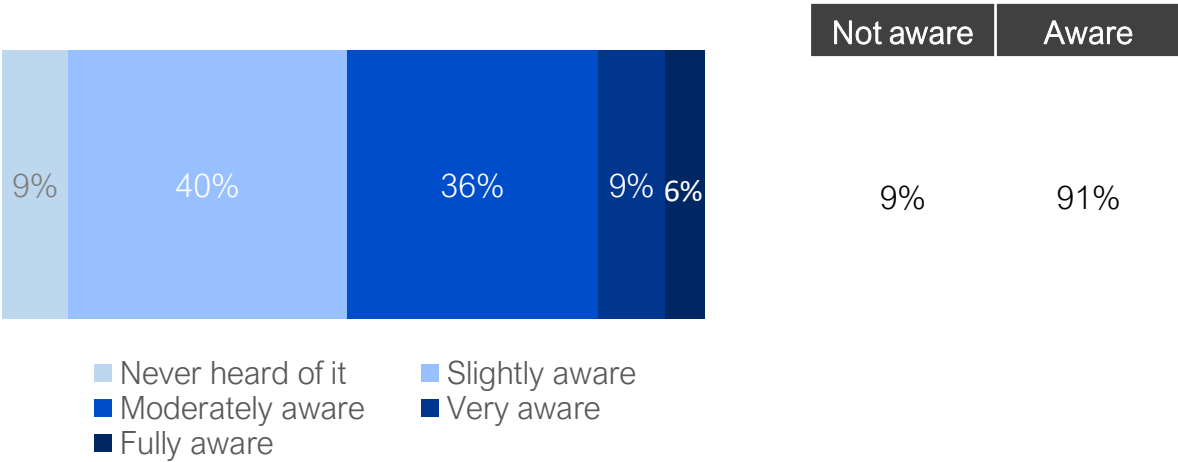
Awareness of STRACAP Chapters – By Segments<sup>1</sup>

	NET	FTA Usage <sup>a</sup>	
		Users	Non-Users
Base (n)	372	285	87
Never heard of it	25%	18%	46%
Slightly aware	42%	45%	36%
Moderately aware	25%	27%	17%
Very aware	7%	8%	1%
Fully aware	1%	1%	0%
Not aware	25%	18%	46%
Aware	75%	82%	54%

Questions:  
(1) Base (n): Respondents who TIG and are aware of TBT chapters = 372, D4a: How aware are you of the Standards, Technical Regulations and Conformity Assessment Procedure (STRACAP) chapters and their provisions in Free Trade Agreements?  
[SA]

91% of respondents were aware of BITs and FTAs with Investment Chapters. More FTA Users were aware of these chapters as compared to Non-Users, with most FTA Users being slightly to moderately aware

Awareness of Bilateral Investment Treaties (BITs) and FTAs with Investment Chapters<sup>1</sup>



Awareness of BITs and FTAs – By Segments<sup>1</sup>

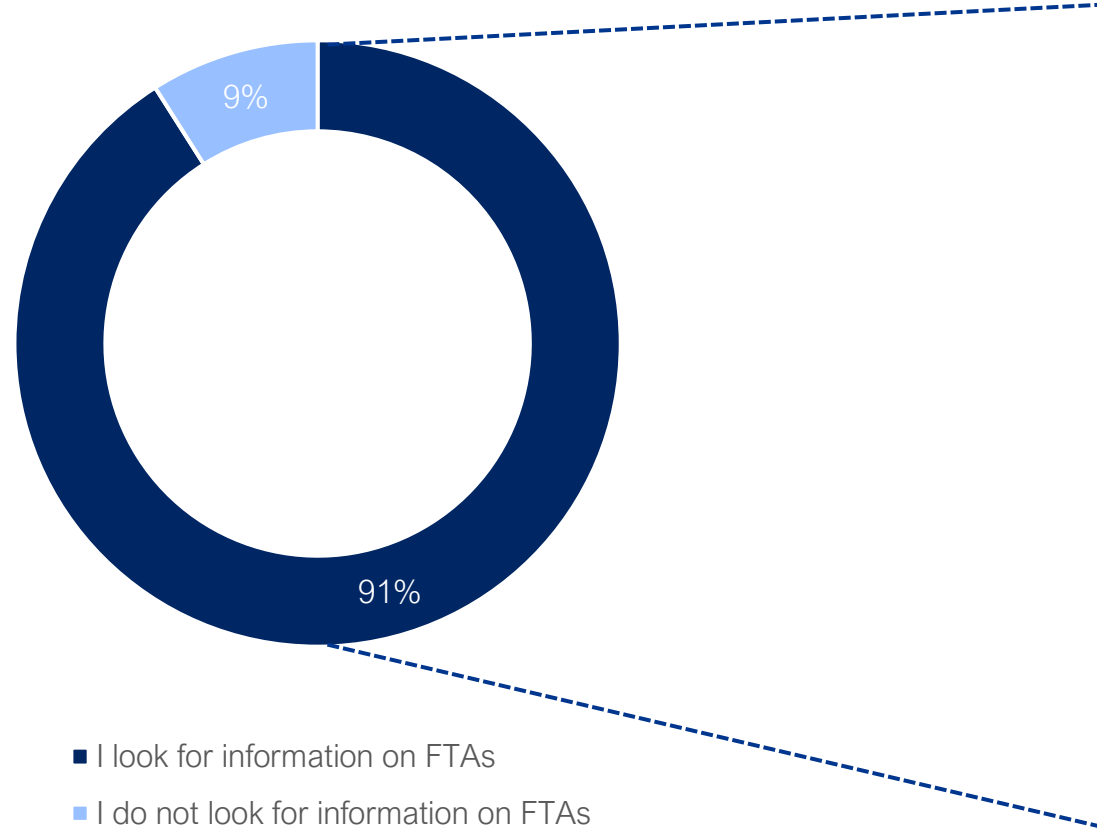
	NET	FTA Usage	
		Users	Non-Users <sup>a</sup>
Base (n)	53	42	11
Never heard of it	9%	5%	27%
Slightly aware	40%	45%	18%
Moderately aware	36%	36%	36%
Very aware	9%	7%	18%
Fully aware	6%	7%	0%
Not aware	9%	5%	27%
Aware	91%	95%	73%

Questions:  
(1)Base (n): Respondents who TII and are aware of Investment chapters = 53, G5: Are you aware that Singapore has Bilateral Investment Treaties and FTAs with Investment Chapters with several countries? [SA]

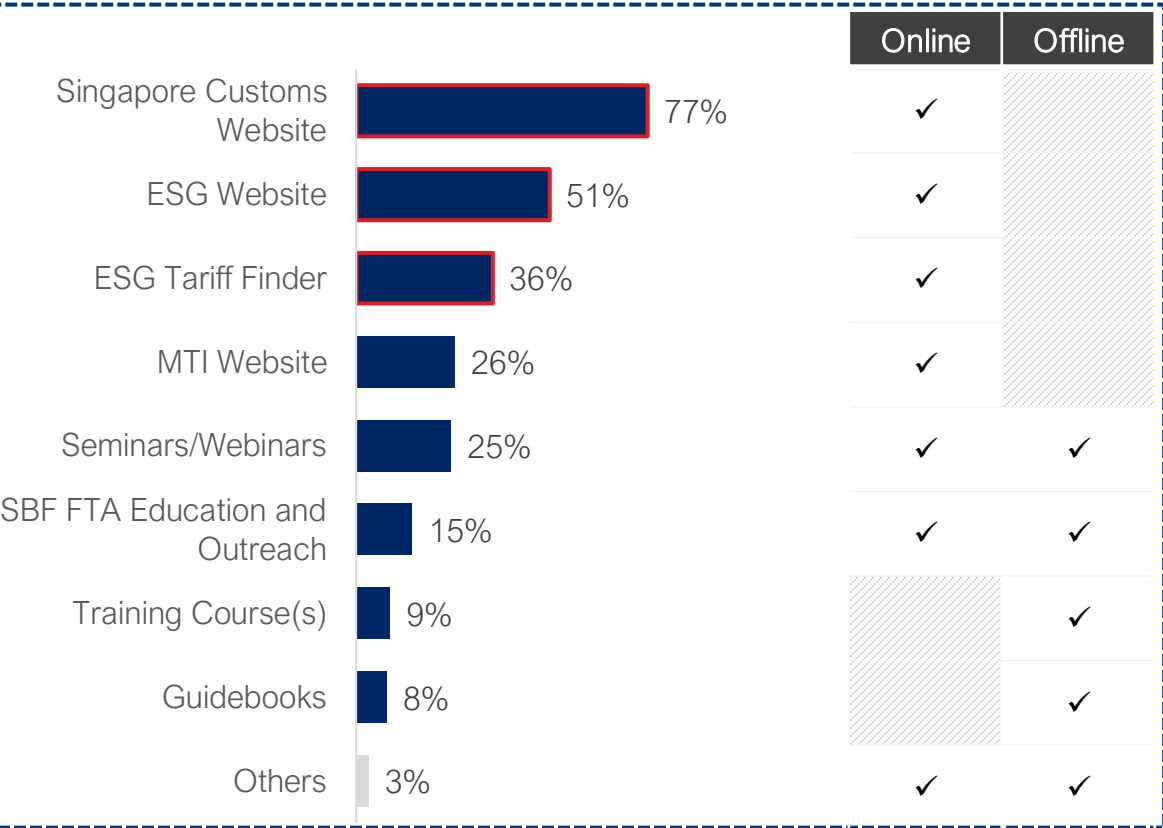
Note: (a) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally  
Source: FTA Survey

91% of respondents actively searched for information on FTAs. Online channels, such as websites and tariff finder were most employed, followed by mixed channels (i.e., online and offline)

Look for Information on FTAs<sup>1</sup>



Channels Used for Information on FTAs<sup>2</sup>



Questions:  
(1) Base (n): Respondents who TIG and are aware of goods chapters and ROO = 455, B4: Have you used the following channels when looking for information on FTAs? [MA]  
(2) Base (n): Respondents who TIG, are aware of goods chapters and ROO and look for information on FTAs = 412, B4: Have you used the following channels when looking for information on FTAs? [MA]

More FTA Users searched for information on FTAs as compared to Non-Users. Those in the manufacturing-related industries searched for information most, while those in the Construction industry searched for information least

Look for Information on FTAs – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	455	350	105	218	86	76	12
I look for information on FTAs	91%	96%	73%	94%	85%	96%	75%
I do not look for information on FTAs	9%	4%	27%	6%	15%	4%	25%

Questions:  
(1) Base (n): Respondents who TIG, are aware of goods chapters and ROO and look for information on FTAs = 455, B4: Have you used the following channels when looking for information on FTAs? [MA]

Across segments, Singapore Customs Website and ESG Website were the two most utilised channels for information while the ESG Tariff Finder was the third most used channel, except in the MFA industry

### Channels Used for Information on FTAs – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
<i>Base (n)</i>	412	335	77	205	73	73	9
Singapore Customs Website	77%	#1 80%	#1 64%	#1 83%	#1 63%	#1 78%	
ESG Website	51%	#2 50%	#2 55%	#2 49%	#2 51%	#2 63%	
ESG Tariff Finder	36%	#3 40%	#3 21%	#3 42%	#3 30%	33%	
MTI Website	26%	28%	#3 21%	27%	15%	#3 37%	
Seminars/Webinars	25%	27%	19%	23%	27%	29%	
SBF FTA Education and Outreach	15%	16%	9%	15%	11%	19%	
Training Course(s)	9%	10%	5%	10%	8%	10%	
Guidebooks	8%	10%	4%	8%	11%	10%	
Others	3%	2%	9%	1%	3%	4%	

Questions:

(1) Base (n): Respondents who TIG, are aware of goods chapters and ROO and look for information on FTAs = 412, B4: Have you used the following channels when looking for information on FTAs? [MA]

Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately

Source: FTA Survey

Top sources, Singapore Customs' and ESG's websites, provided ample FTA and customs procedure information, however, content provided was difficult to understand, which prompted the reliance of other sources for clarity

### Provided a wide range of reliable information

- ✓ **Wide breadth of information**
  - Singapore Customs' website was frequently accessed by respondents due to its reputation for providing **accurate information** on applicable HS codes and necessary export documents
  - Similarly, ESG's website was heavily utilised to access **up-to-date information** on FTA and other pertinent trade-related updates
- ✓ **Reliable source**
  - Information gathered from these sources was **considered trustworthy** by most respondents
- ✓ **More dependable as compared to other countries**
  - Respondents appreciated the **transparency and accessibility as compared to websites** of other countries where they did not know where to start looking for information

### Accessed information was tedious to understand

- ! **Difficult to understand content**
  - Content may contain **technical language** used in some documents, especially when reading about the terms and conditions of the FTA in detail
  - Technical terms in FTAs posed challenges to respondents as they **did not possess a technical / legal background** to be able to **fully interpret** these documents
  - Varied requirements for markets with multiple applicable FTAs made it **confusing for respondents** to understand all the information provided on FTAs
- ! **Difficult to find specific information on processes**
  - Available information was **not enough to help in specific use cases** in each market
    - E.g., respondents could not find information about process to certify products in Thailand online

### Needed multiple sources to pieces information together

- **Respondents required accessing multiple sources of information** to fully understand FTAs and regulations, like searching online, talking to customs officials, and seeking professional advice
  - However, some respondents still faced challenges with fully understanding the terms of the FTA, and resorted to "guessing" that the methods and documents submitted are correct
  - Respondents diverted their search to the ESG Tariff Finder, finding it helpful when information on customs' website was difficult to find and comprehend.

## In the words of respondents...

### Provided a wide range of reliable information

“

*It has been pretty easy to find out. The government has put out a lot of information... **ESG in particular.***

”

FTA User from Professional, Scientific and Technical Activities (Trade in Goods)

### Accessed information was tedious to understand

“

*Information is neither layman nor technical enough for the industry. So as a result, we have to guess... When we guess, we get a different FTA to the original and **that causes confusion.***

”

FTA User from Manufacturing (Trade in Goods)

### Needed multiple sources to pieces information together

“

*Engage in multiple verification processes, such as checking with freight forwarders as well.*

”

FTA User from Oil and Gas (Trade in Goods)

“

*Singapore customs has been pretty helpful, especially the Mendel Tool as it is tied up with SG Customs.*

”

FTA User from Manufacturing (Trade in Goods)

“

*...information is available. **But you never know what will be the importing country regulation, until your goods arrive there. They will do a thorough check, whether your goods comply with the regulations.** A lot of things that you see on the FTA, you **still have to follow-up with the importing countries.***

”

FTA User from MFA (Trade in Goods - SPS)

“

*The most important person is still the importer, the customer, the distributor... **they will go the extra mile to check it out.***

”

FTA User from Manufacturing (Trade in Goods)

The ESG Tariff Finder, the third most utilised tool, provided convenient information about available FTAs and customs rates, but it lacked crucial in-market information, which were provided by customers and importers

### ESG Tariff Finder offered comprehensive information and convenience

- ✓ **Comprehensive tariff information**
  - The ESG Tariff Finder provided **information on customs rates** for markets with FTA agreements
  - Additionally, it also **indicated markets where no FTA were available** and provided the current tariff rates in those markets
- ✓ **Convenient access**
  - The ESG Tariff Finder, an online resource, was **readily accessible**, unlike making phone calls during limited working hours
  - Furthermore, it provided **easy to access** specific market or tariff information quickly with a few clicks

### However, lacked information required to navigate in-market situations

- ! **Did not address practical knowledge gaps**
  - Respondents felt that the ESG Tariff Finder provides necessary information, such as export packing list, but may **lacked to address the other practical requirements businesses of respective markets**
    - E.g., The ESG Tariff Finder might indicate the requirement for a "health certificate," but failed to guide exporters on actionable steps they can take to get the health certificate
- ! **Lacked information in-market nuances**
  - The ESG Tariff Finder **lacked information on how to navigate obstacles arising from diverse cultures and business practices from importing markets**
    - E.g., no information about additional documents required by in-market customs which were not stated elsewhere or required in previous custom clearance procedures

### Relied on local in-market contacts for assistance with market nuances

- **Relied on customers or importers in foreign markets** to provide the remainder of the information not found on the ESG Tariff Finder
  - E.g., finding the right documentation required by local customs, providing the correct HS code used by the other markets, etc.

## In the words of respondents...

## ESG Tariff Finder offered comprehensive information and convenience

“

There'll be a flow chart...**so basically you just click on the flow chart...**you just need to **zoom into selective areas** and then you will know that **whether do you meet the requirement or not.**

”

FTA User from Oil and Gas Industry (Trade in Goods)

## However, lacked information required to navigate in-market situations

“

...it is very standard...export packing list, commercial invoice, certain health certificates...but it's just brief information, you really have to do it and ask questions....  
**The website states that we need a health certificate. The question is, can SFA issue the health certificate? That's more important.**

”

FTA User from Manufacturing (Trade in Goods)

## Relied on local in-market contacts for assistance with market nuances

“

They follow **Singapore's HS codes which is limited to seven or eight digits**, but they **do not provide the sub-HS codes**. That one you will **have to check with the EU or importing country's website.**

”

FTA User from Manufacturing (Trade in Goods)

“

The **tariff finder is very useful** because when you want to export your product overseas, you must do the price structure, the price tree. So first, **the tariff finder gives you the import tariffs...**

”

FTA User from Manufacturing (Trade in Goods)

“

But a lot of the time it's **not about just trade. It's the hospital access**. If it is not done correctly, even if my product can go into Taiwan, **the hospital may not accept it.**

”

FTA User from Manufacturing (Trade in Goods)

“

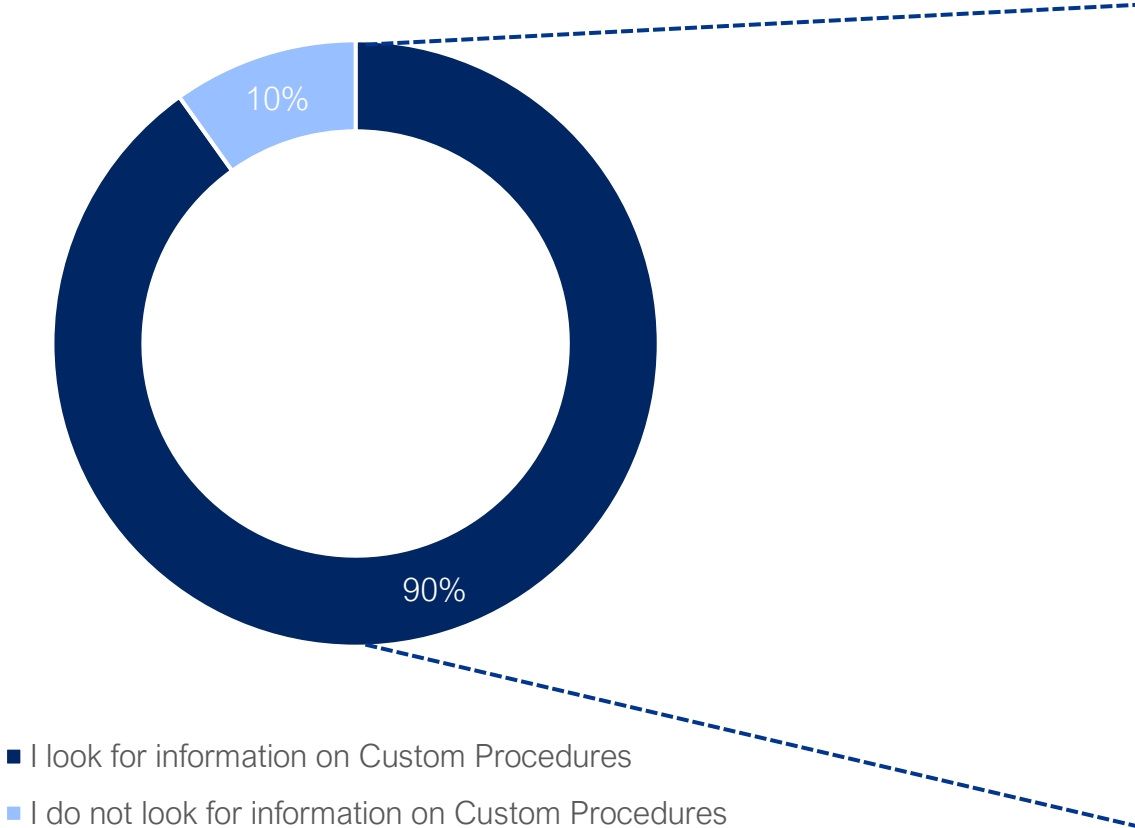
ESG content as a whole is confusing, Used it for grant. **Need to talk to people to get an understanding. It just gives all the catalogs, etc. but not sure how much of it is valid.**

”

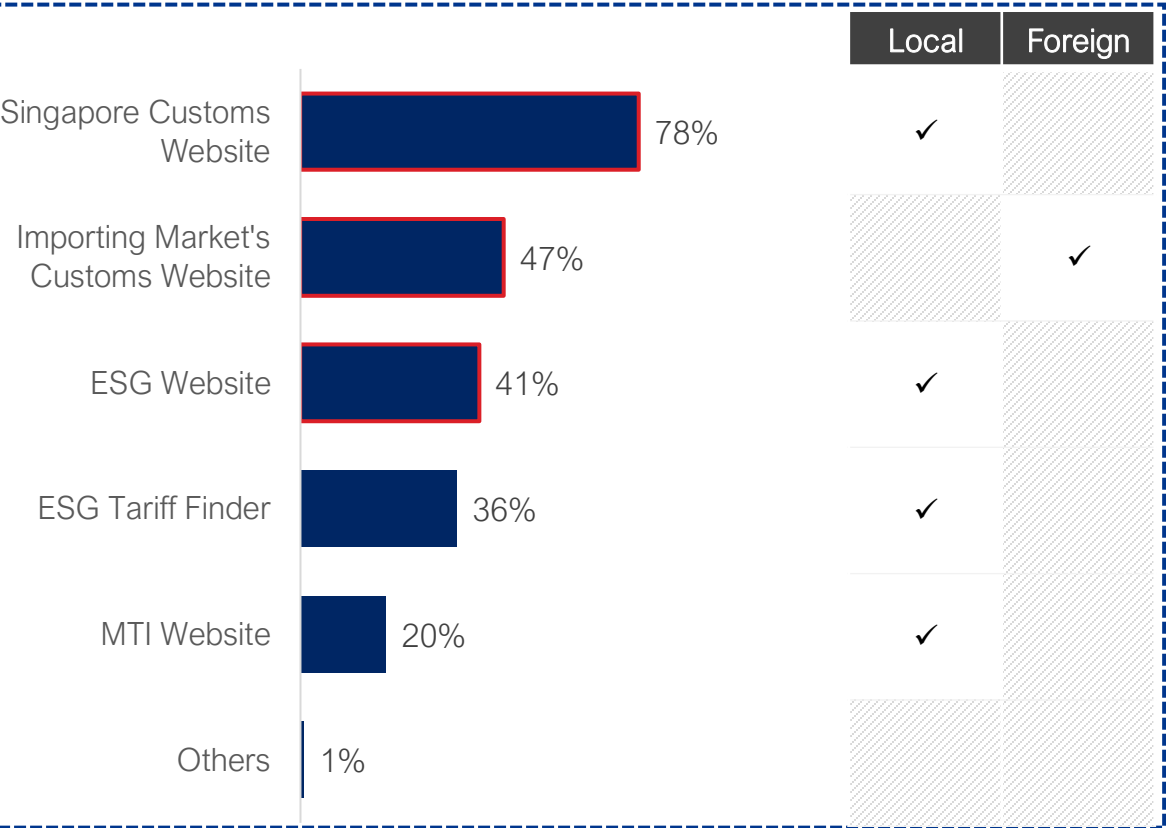
FTA User from Wholesale and Retail Trade (Trade in Goods)

90% of respondents searched for information on customs procedures. Singapore Customs Website and Importing Market’s Customs Website were most utilised, while local sources were more sought-after than foreign sources

Look for Information on Custom Procedures<sup>1</sup>



Source of Information on Custom Procedures<sup>2</sup>



Questions:  
(1) Base (n): Respondents who TIG, use FTAs and are aware of the expeditious release of goods = 313, C3: Where do you normally find information on customs procedures from the importation market? [MA]  
(2) Base (n): Respondents who TIG, use FTAs, are aware of the expeditious release of goods and look for information on customs procedures = 281, C3: Where do you normally find information on customs procedures from the importation market? [MA]

Within the TIG industries, a significant majority actively sought information on Customs Procedures, notably with a higher concentration observed within the MFA industry

Look for Information on Custom Procedures – By Segments<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	313	168	50	60	6
I look for information on Customs Procedures	90%	89%	86%	100%	-
I do not look for information on Customs Procedures	10%	11%	14%	0%	-

Questions:  
(1) Base (n): Respondents who TIG, use FTAs and are aware of the expeditious release of goods = 313, C3: Where do you normally find information on customs procedures from the importation market? [MA]

Singapore Customs Website was the primary source of information on Customs Procedures across TIG Industries, followed by the Importing Market's Customs Website and ESG Website, with varying usage levels across industries

### Source of Information on Custom Procedures – By Segments<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>a</sup>
<i>Base (n)</i>	281	149	43	60	5
Singapore Customs Website	78%	#1 77%	#1 72%	#1 83%	-
Importing Market's Customs Website	47%	#2 44%	#3 42%	#2 53%	-
ESG Website	41%	#3 40%	#2 49%	#3 38%	-
ESG Tariff Finder	36%	37%	#3 42%	33%	-
MTI Website	20%	18%	16%	27%	-
Others	1%	0%	0%	2%	-

Questions:

(1) Base (n): Respondents who TIG, use FTAs, are aware of the expeditious release of goods and look for information on customs procedures = 281, C3: Where do you normally find information on customs procedures from the importation market? [MA]

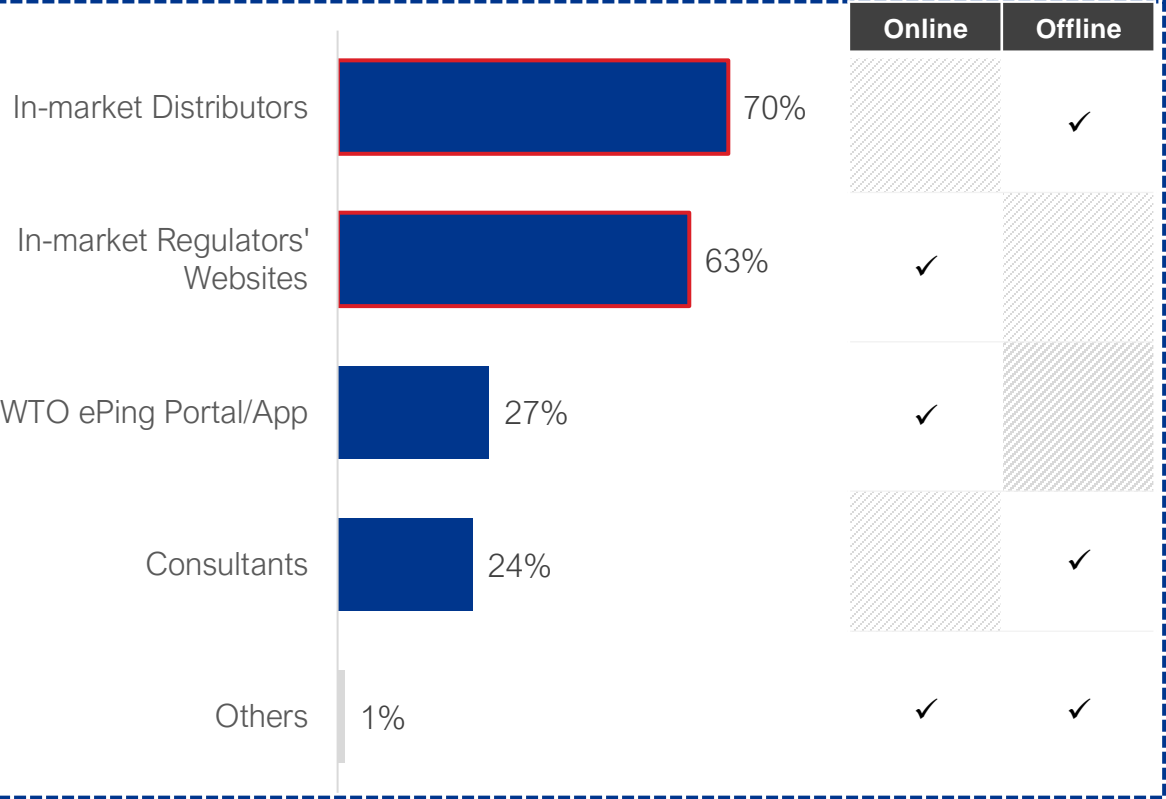
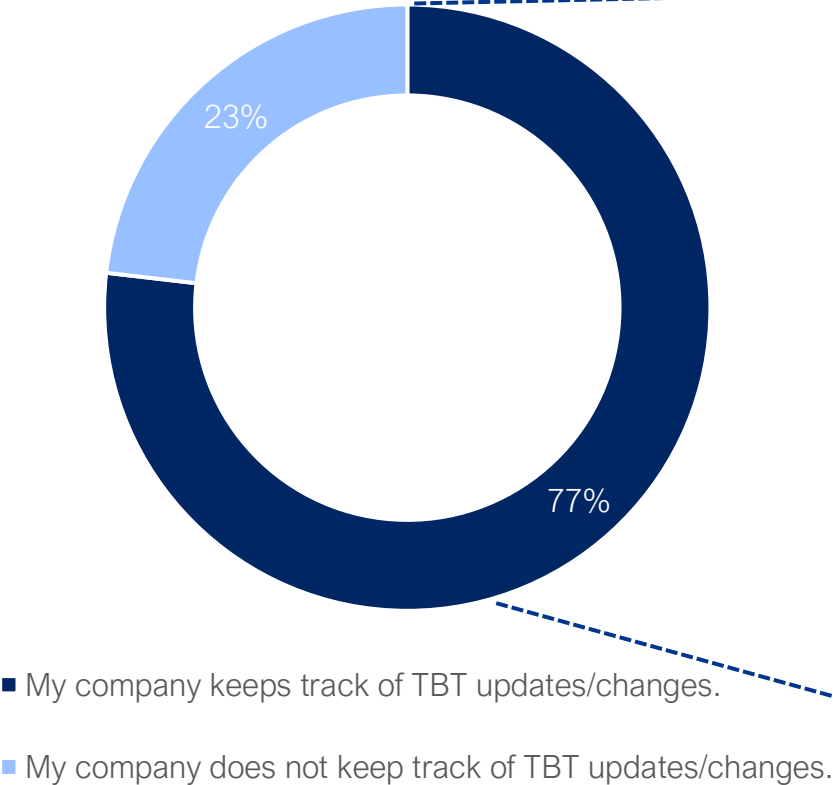
Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately

Source: FTA Survey

77% of respondents actively tracked TBT updates and changes. Most relied on In-market Distributors and Regulators' Websites to stay updated. A mix of offline and online sources were used

Keep Track of Technical Barriers to Trade (TBT) Updates / Changes<sup>1</sup>

Sources of Information for TBT Updates / Changes<sup>2</sup>



Questions:  
(1) Base (n), Respondents who TIG and are aware of TBT = 372, D1: What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets? [MA]  
(2) Base (n), Respondents who TIG, are aware of TBT and whose companies keep track of TBT updates/changes = 288, D1: What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets? [MA]

FTA Users and those in manufacturing-related industries kept track of TBT updates and changes more as compared to Non-Users and those in the WRT and Construction industries

Keep Track of Technical Barriers to Trade (TBT) Updates / Changes – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	372	285	87	172	71	69	11
My company keeps track of TBT updates/changes.	77%	86%	49%	85%	65%	86%	64%
My company does not keep track of TBT updates/changes.	23%	14%	51%	15%	35%	14%	36%

Questions:  
(1) Base (n), Respondents who TIG and are aware of TBT = 372, D1: What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets? [MA]

Across the segments, In-market Distributors and Regulator's Websites were the top sources of information for TBT updates / changes, while a mix of WTO ePing Portal/App and Consultants were utilised across segments

### Sources of Information for TBT Updates / Changes – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	288	245	43	146	46	59	7
In-market Distributors	70%	#1 74%	#2 49%	#1 69%	#1 63%	#1 83%	-
In-market Regulator's Website	63%	#2 65%	#1 53%	#2 63%	#2 54%	#2 68%	-
WTO ePing Portal/App	27%	#3 30%	12%	#3 28%	20%	#3 29%	-
Consultants	24%	25%	#3 26%	23%	#3 30%	19%	-
Others	1%	0%	5%	0%	2%	2%	-

Questions:

(1) Base (n), Respondents who TIG are aware of TBT and keep track of TBT updates / changes = 288, D1: What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets? [MA]

Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately

Source: FTA Survey

Most stayed updated on TBT changes to ensure smooth flow of goods and anticipate importing hurdles. Respondents also regularly leaned on in-market regulators' website and trade specialists for additional information

### Proactive and mandatory monitoring ensure constant flow of goods

#### ✓ Proactive measures

- Proactively kept up periodically with the changes to **ensure smooth flow of goods and minimise any delays** due to regulation changes
- Especially important for “**special goods**”
  - o E.g., medical goods in Taiwan must receive compliance approval from customs and hospitals

#### ✓ Mandatory monitoring

- Required to stay updated on the TBT changes due to their **roles in product development or research and development teams**
- Need to **ensure** that products developed **meets the regulatory requirements** of importing markets

### In-market regulators' website and trade specialists were key sources for updates

#### ✓ In-market regulators' websites

- Provided the **most updated information**
- **Language barriers** were relatively **easy to overcome** with translations tools

#### ✓ Consultants

- Provided an **alternative source of information**
- However, less frequently sought due to **high fees** as they are usually from large consulting firms
  - o E.g., Deloitte, KPMG, Ernst and Young, etc.

#### ✓ Others – freight forwarders

- Provided updates on TBT changes proactively as **a service to clients**
- They possessed the **most experience** with understanding **technical language used in agreements**
- **Convenient** source of information

“ In our industry, a lot of changes. **The other countries, we want to keep an eye on them.. Duties can change, even in the free trade zone. So, we need to know if we are working inside or outside of that.** ”

FTA User from Wholesale and Retail Trade (Trade in Goods)

“ **My colleague keeps track of the updates. He reads a bunch of different databases and documents published, talks to customs quite often and the websites. His role is head of product development.** ”

FTA User from IT Equipment (Trade in Goods)

“ **Mostly our freight forwarders highlight the changes...Typically we meet with them once or twice a year and they update us on any changes that are happening. They are quite well-informed; they have to be. They know our product lines.** ”

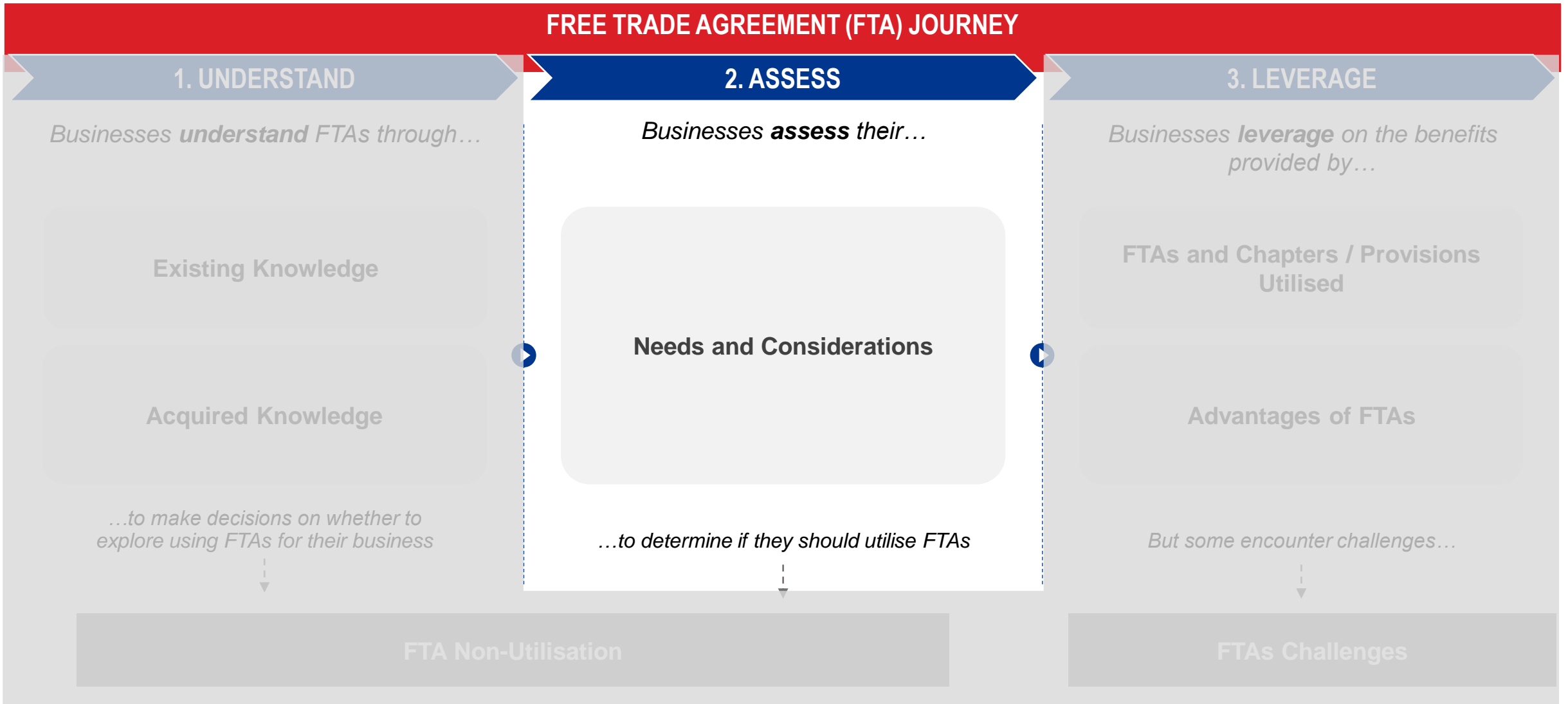
FTA User from WRT (Trade in Goods)

# ASSESS

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- Technical Barriers to Trade
- Challenges Faced in Customs Procedure and Trade Facilitation
- Sanitary and Phytosanitary Challenges
- Challenges in Trade in Services
- Overall Experience Providing Services Overseas
- Challenges in Trade in Investments
- Overall Experience Investing Overseas
- Consider Markets with FTAs that Include a Government Procurement Chapter
- Challenges Faced with Government Chapters

## Chapter Focus...



## Questions from Survey (1 of 2)

### CUSTOMS PROCEDURE & TRADE FACILITATION

#### Section C.

C1: With respect to Rapid Release of Goods objective where the goods have to be released within 48 hours or less, have you encountered situations where your goods/consignments have taken more than 48 hours to be released to your importer/buyer.

### TECHNICAL BARRIERS TO TRADE

#### Section D.

D2: Are you currently facing any of the following challenges when importing/exporting?

D3a: Which of the following importing markets did you face challenges in importing/exporting?

D3b: If you have selected the ASEAN region, which of the following importing markets did you face challenges in importing/exporting?

D3d: If you have selected the East Asia region, which of the following importing markets did you face challenges in importing/exporting?

### SANITARY AND PHYTOSANITARY

#### Section E.

E1b: Are you facing any challenges when exporting food, animal, or plant products?

E2a: Which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.

E2b: If you have selected the ASEAN region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.

E2d: If you have selected the East Asia region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.

### TRADE IN SERVICES

#### Section F.

F6: Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. Please select all that apply.

F7a: Which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.

F7b: If you have selected the ASEAN region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.

F7d: If you have selected the East Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.

## Questions from Survey (2 of 2)

### INVESTMENT

#### Section G.

G3: What obstacles/ difficulties have you encountered when investing overseas? Please select all that apply.

G4a: Which of the following markets of importation you encountered any obstacles/difficulties when investing overseas? Please select all that apply.

G4b: If you have selected the ASEAN region, which of the following markets of importation you encountered any obstacles/difficulties when investing overseas? Please select all that apply.

G4d: If you have selected the East Asia region, which of the following markets of importation you encountered any obstacles/difficulties when investing overseas? Please select all that apply.

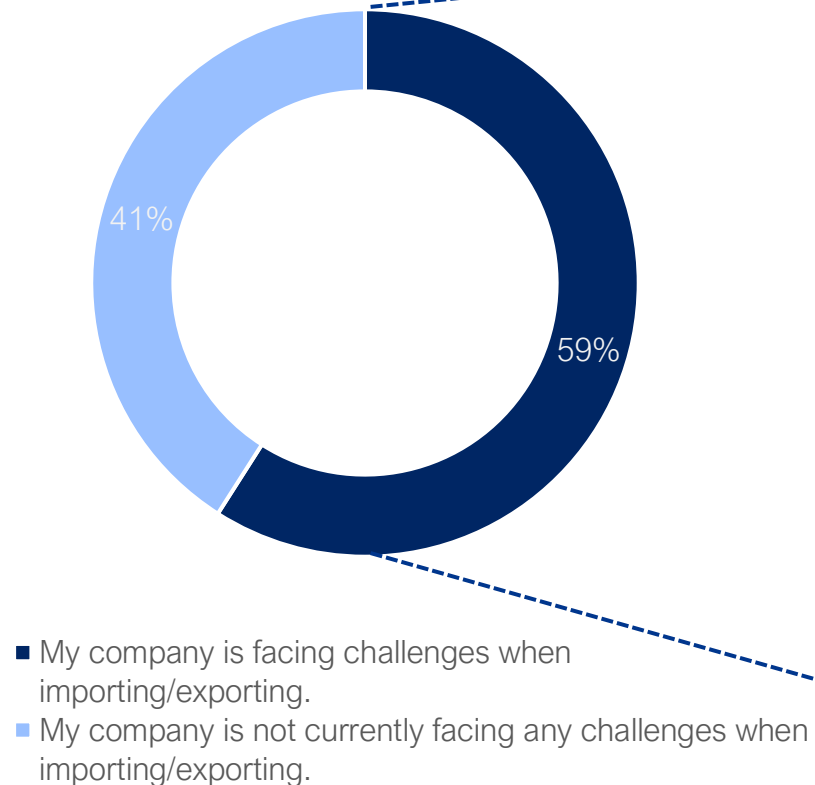
### GOVERNMENT PROCUREMENT

#### Section H.

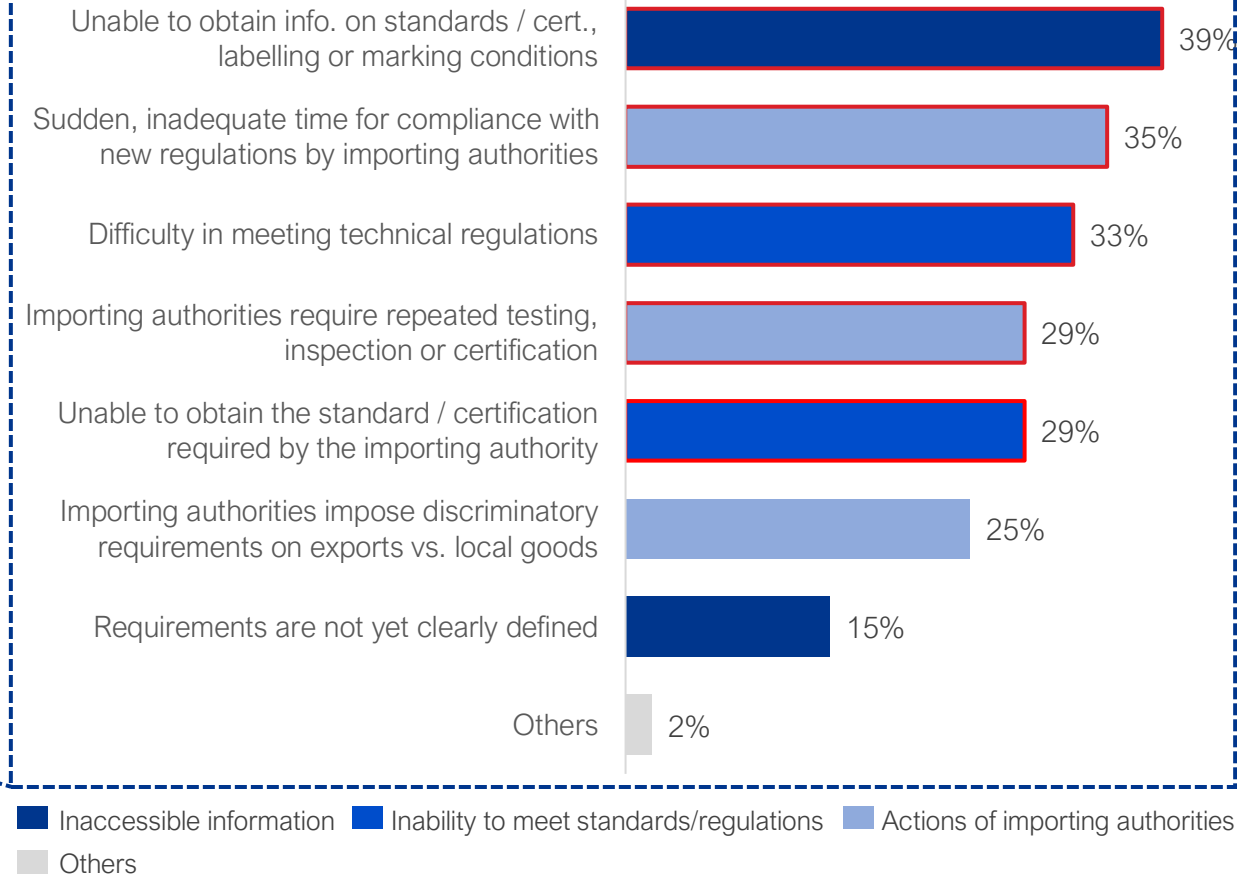
H4: Would you consider whether a market has an FTA with a government procurement chapter with Singapore before applying for a public tender in that country?

59% of respondents encountered various import / export challenges – unable to obtain standards / certification information, sudden changes in regulations and difficulties in meeting technical regulations were most significant

### Currently Facing Challenges When Importing / Exporting<sup>1</sup>



### Challenges Faced in Importing / Exporting<sup>2</sup>



Questions:  
 (1) Base (n), Respondents who TIG and aware of technical barriers to trade with respect to FTAs = 372, D2: Are you currently facing any of the following challenges when importing/exporting? [MA]  
 (2) Base (n), Respondents who TIG, are aware of technical barriers to trade with respect to FTAs and whose companies face challenges when importing/exporting = 220, D2: Are you currently facing any of the following challenges when importing/exporting? [MA]

Source: FTA Survey

Legend:   Significantly higher than overall (at 95% confidence interval)

While challenges with importing / exporting were common across all segments, respondents in the MFA industry encountered slightly more difficulties in this regard

Currently Facing Challenges When Importing / Exporting – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	372	285	87	172	71	69	11
My company is currently facing challenges when importing/exporting.	59%	59%	60%	53%	55%	73%	64%
My company is not currently facing any challenges when importing/exporting.	41%	41%	40%	47%	45%	26%	36%

Questions:  
(1)Base (n), Respondents who TIG and aware of technical barriers to trade with respect to FTAs = 372, D2: Are you currently facing any of the following challenges when importing/exporting? [MA]

Across all segments, the most prevalent challenge was the inability to acquire information on standards/certifications, labelling, or marking conditions. Other challenges commonly faced varied based on segment types

### Challenges Faced in Importing / Exporting – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TIG only)			
		Users	Non-Users	Manufacturing	WRT	MFA	Construction <sup>a</sup>
<i>Base (n)</i>	220	168	52	92	39	51	7
Unable to obtain information on standards/cert., labelling or marking conditions	39%	#2 39%	#1 37%	#2 35%	#1 41%	#1 43%	-
Sudden, inadequate time for compliance with new regulations by importing authorities	35%	#1 40%	17%	#1 37%	#2 31%	35%	-
Difficulty to meet technical regulations	33%	#3 33%	#2 33%	30%	26%	#1 43%	-
Importing authorities require repeated testing, inspection or certification	29%	28%	#2 33%	28%	26%	#3 39%	-
Unable to obtain the standard / certification required by the importing authority	29%	27%	#2 33%	#3 32%	#3 28%	25%	-
Importing authorities impose discriminatory requirements on exports vs. local goods	25%	27%	15%	21%	15%	35%	-
Requirements are not yet clearly defined	15%	15%	15%	10%	18%	20%	-
Others	2%	2%	2%	1%	3%	2%	-

Questions:

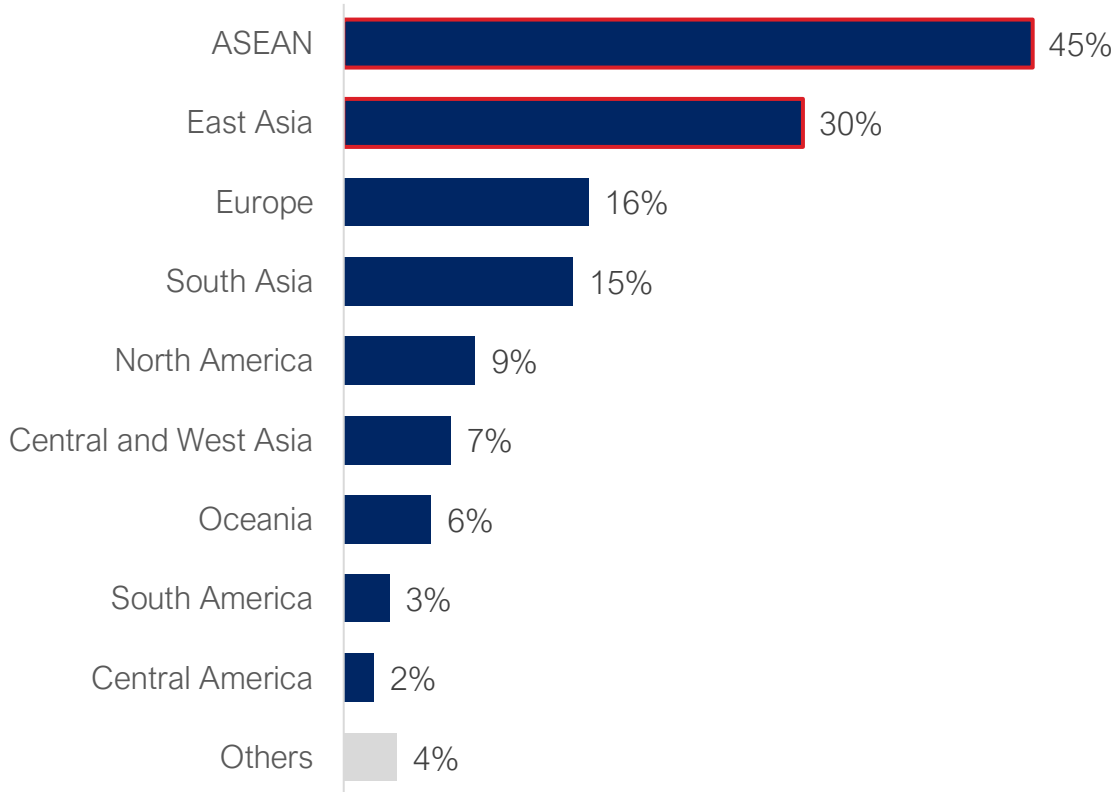
(1) Base (n), Respondents who TIG, are aware of technical barriers to trade with respect to FTAs and whose companies face challenges when importing/exporting = 220, D2: Are you currently facing any of the following challenges when importing/exporting? [MA]

Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately

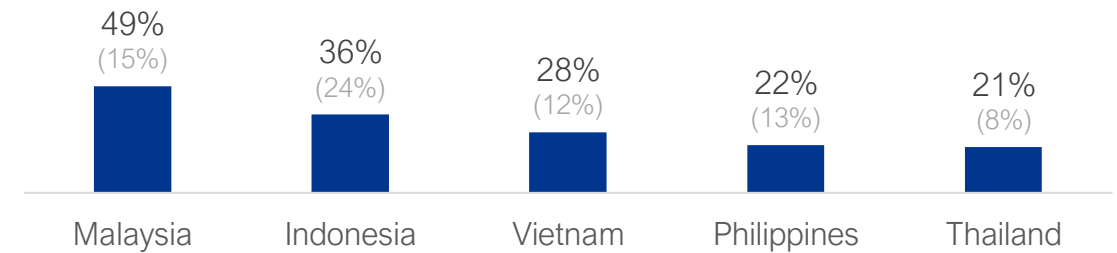
Source: FTA Survey

## Respondents faced most difficulty when trading in ASEAN and East Asia, with Malaysia and China presenting the most challenges in their respective regions

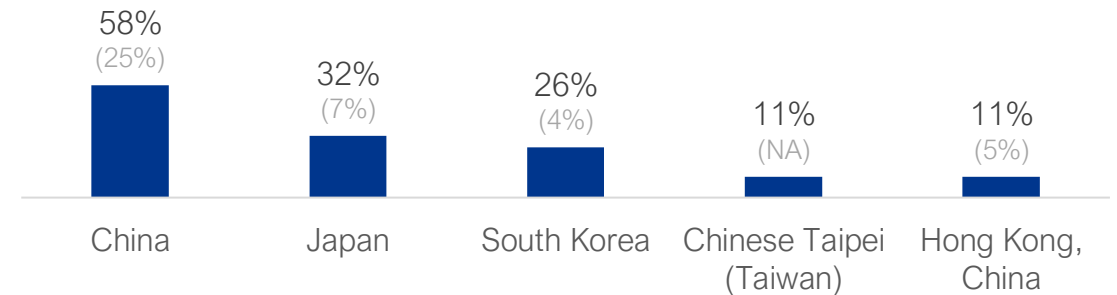
### Regions Facing the Most Challenges<sup>1</sup>



### ASEAN: Top 5 Markets<sup>2,a</sup>



### East Asia: Top 5 Markets<sup>3,a</sup>



#### Questions:

(1) Base (n), Respondents involved in manufacturing/import/export/re-export of products, aware of TBT chapters and facing challenges in export/import = 220, D3a: Which of the following markets did you face challenges in importing/exporting? Please select all that apply. [MA]

(2) Base (n), Respondents involved in manufacturing/import/export/re-export of products, aware of TBT chapters and facing challenges in export/import in ASEAN = 98, D3b: In the ASEAN region, which of the following markets did you face challenges in importing/exporting? [MA]

(3) Base (n), Respondents involved in manufacturing/import/export/re-export of products, aware of TBT chapters and facing challenges in export/import in East Asia = 66, D3d: In the East Asia region, which of the following markets did you face challenges in importing/exporting? [MA]

Note: (a) Numbers in brackets denote survey data from 2021, while 'NA' indicates data point(s) not collected in the previous year

Source: FTA Survey

Legend:   Significantly higher than overall (at 95% confidence interval)

Many faced similar challenges when trading overseas – they faced hurdles in compliance with diverse regulations, limited by short timelines and found it difficult to meet technical requirements from importing markets

**Respondents shared in detail the key challenges they faced with TBT, which were...**

**! Unable to obtain information on standards / certifications, labelling or marking conditions**

- **Required documents not clearly stated** – many were not aware that a self-certificate was required until product reached customs in importing country resulting in delay of clearance of goods
  - o E.g., Japan required a Letter of Credit for clearance which took more than 3-4 days to process this was at times longer than the shipping time and caused delays

**! Sudden, inadequate time for compliance with new regulations by importing authorities**

- Required to **comply with sudden changes in regulations** in a short timeframe (i.e., as short as one month)
- However, as the process involved many stakeholders, such as manufacturers and Customs authorities, it may be difficult for businesses to adapt to the changes so quickly

**! Difficulty in meeting technical requirements**

- **Required extensive disclosure** due to stringent technical requirements
  - o E.g., required to share a detail breakdown of manufacturing process which also risked exposing intellectual property and cost structure of products
- Unstandardised regulations across countries made it tedious and costly to meet each country's requirements

“

*They tighten their requirement and give a very short implementation time frame. If you really look into the customs circular, it was like next month we wanted to make these changes...*

”

FTA User from Manufacturing (Trade in Goods)

“

***Every country has their own way of labelling products.** For example, putting up the nutritional information table. US has their own standards; New Zealand has their own standards. Singapore and Australia are quite okay. Most countries would require you to put the local languages. Then the expiry date also. Hong Kong has a different format.*

”

FTA User from MFA (Trade in Goods - SPS)

“

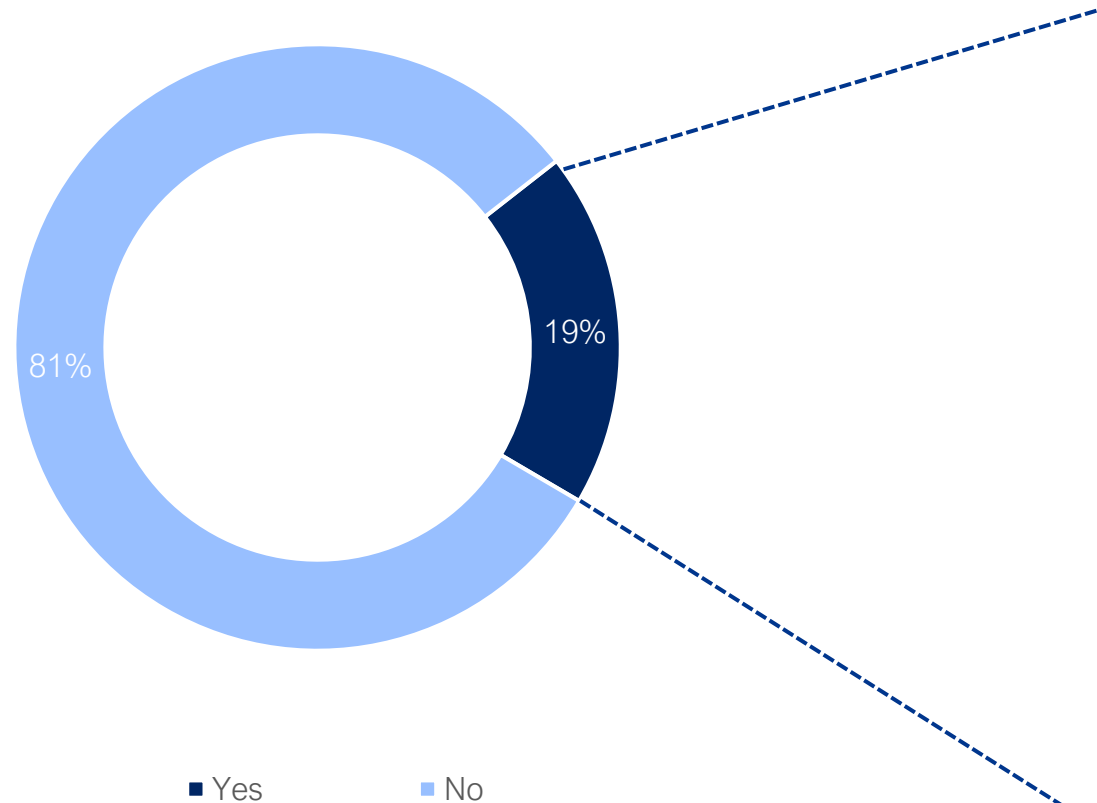
*In a very recent case, just last year, **they wanted all the cost statements, for all shipments.** If you disclose your cost statement, it's as good as telling people your recipe. So, the Singapore council, the American Chemical council, we came together, and we wrote a petition in and in the end, it was dropped. **But we are facing a lot of issues like that in India.***

”

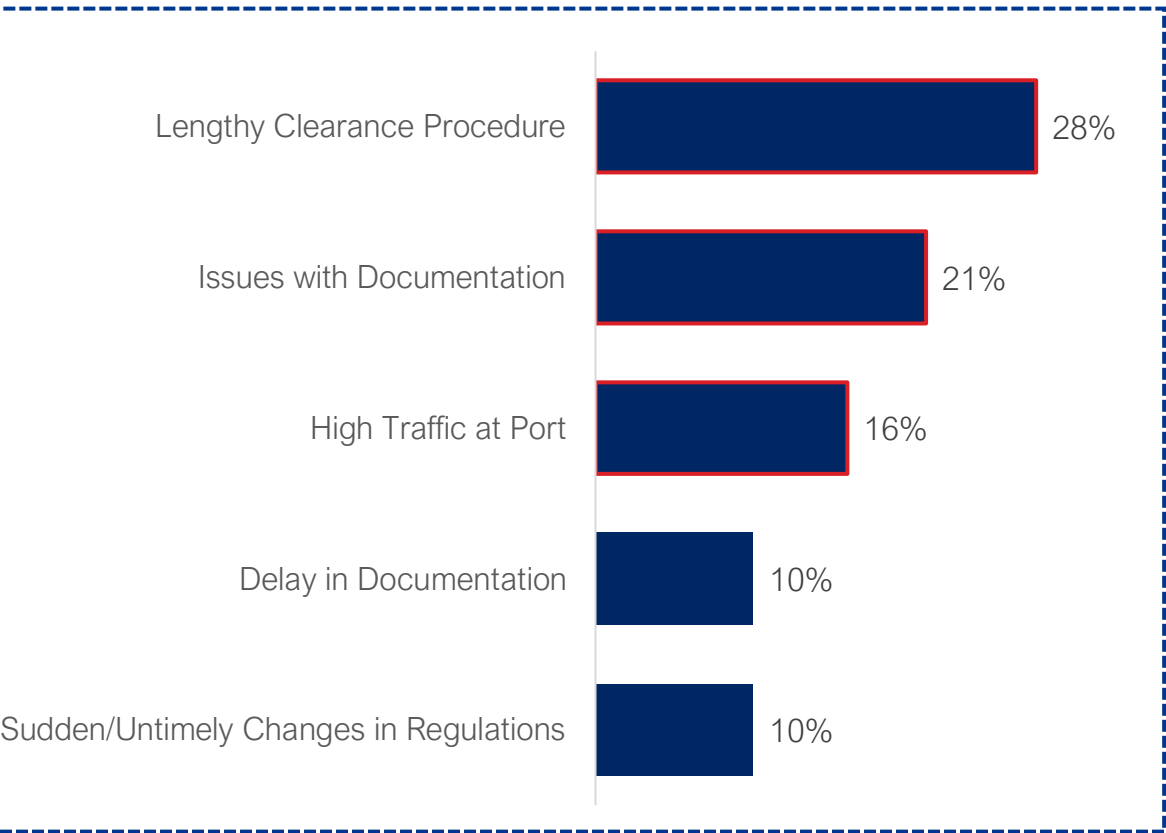
FTA User from Manufacturing (Trade in Goods)

19% of respondents encountered delays in the release of goods, citing lengthy clearance procedures and documentation issues as primary reasons for these delays

Encountered Delays in Release of Goods<sup>1</sup>



Top 5 Reasons for Delays<sup>2</sup>



Questions:  
(1) Base (n), Respondents who TIG, using FTAs, and are aware of Expeditious Release of Goods (customs procedures and trade facilitation) = 313, C1: Have you encountered situations where your goods/consignments have taken more than 48 hours to be released to your importer/buyer? [SA]  
(2) Base (n), Respondents who TIG, using FTAs, are aware of are aware of Expeditious Release of Goods (customs procedures and trade facilitation), and faced delays = 58, C1: Have you encountered situations where your goods/consignments have taken more than 48 hours to be released to your importer/buyer? [SA]

Delays were caused by lengthy clearance procedures involving multiple stakeholders, in-market regulators not recognising documentation provided, high port traffic and taking time to process documentation

### Reasons for delays in release of goods

#### ! Lengthy clearance procedure

- Lengthy customs procedures such as **multiple regulatory bodies having to approve** the product for import resulted in delays when clearing customs
- In-market regulators may also seek additional information, despite the product having been cleared by other customs officials previously, which led to lengthy clearance procedures

#### ! Issues with documentation

- In-market regulators sometimes **dispute the classification of goods under the provided HS code**, even resorting to physical inspection of goods which not only delay the release of goods but also damage the goods
  - o E.g., Indian customs opened a consignment of medical devices, contaminating the sterilised products in the process

#### ! High traffic at port

- Delays due to **high port traffic** were commonly faced, however, in some markets it was **easily mitigated with efficient scheduling** of goods to arrive at ports before peak periods

#### ! Delay in documentation

- In-market regulators also **delayed the approval of documentation** for various reasons not **within the control of Singapore businesses**
  - o E.g., customs approvals may be delayed due to extended public holidays

“

*Product falls under (the jurisdiction of) two authorities, Ministry of Agriculture, Forestry and Fishery and also under Ministry of Health, Labour and Welfare... so the product require approvals from both to be able to export into Japan*

”

FTA User from MFA (Trade in Goods - SPS)

“

*Yes, Indian customs asked for more information regarding the product they have been shipping all this while, because the company used their DHL Singapore instead of DHL India. Then, customs opened up his products (which contaminated the sterilised products)*

”

FTA User from Manufacturing (Trade in Goods)

“

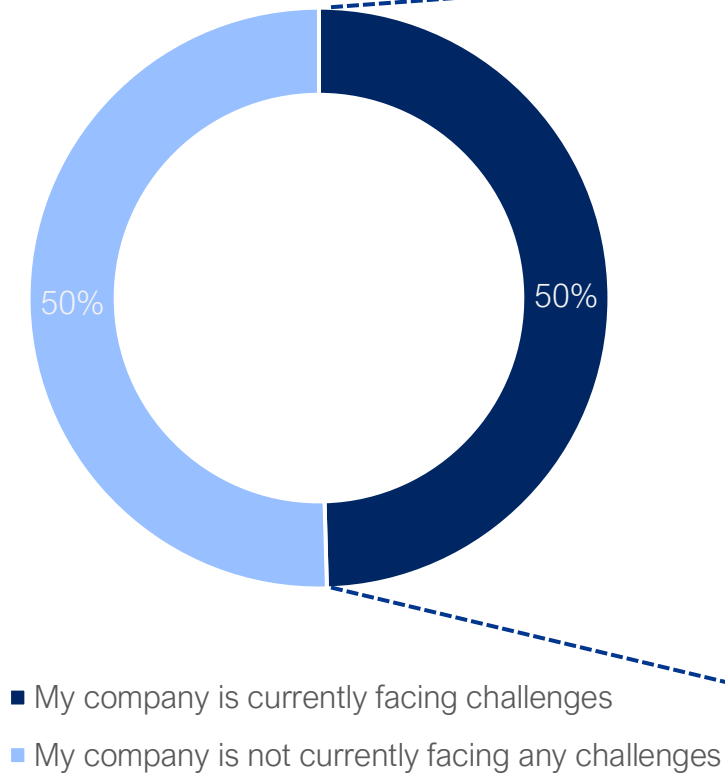
*(Malaysia) Customs is often busy. So we can get delayed sometimes three to four hours... but we just try to get there by Noon, so it won't get delayed.*

”

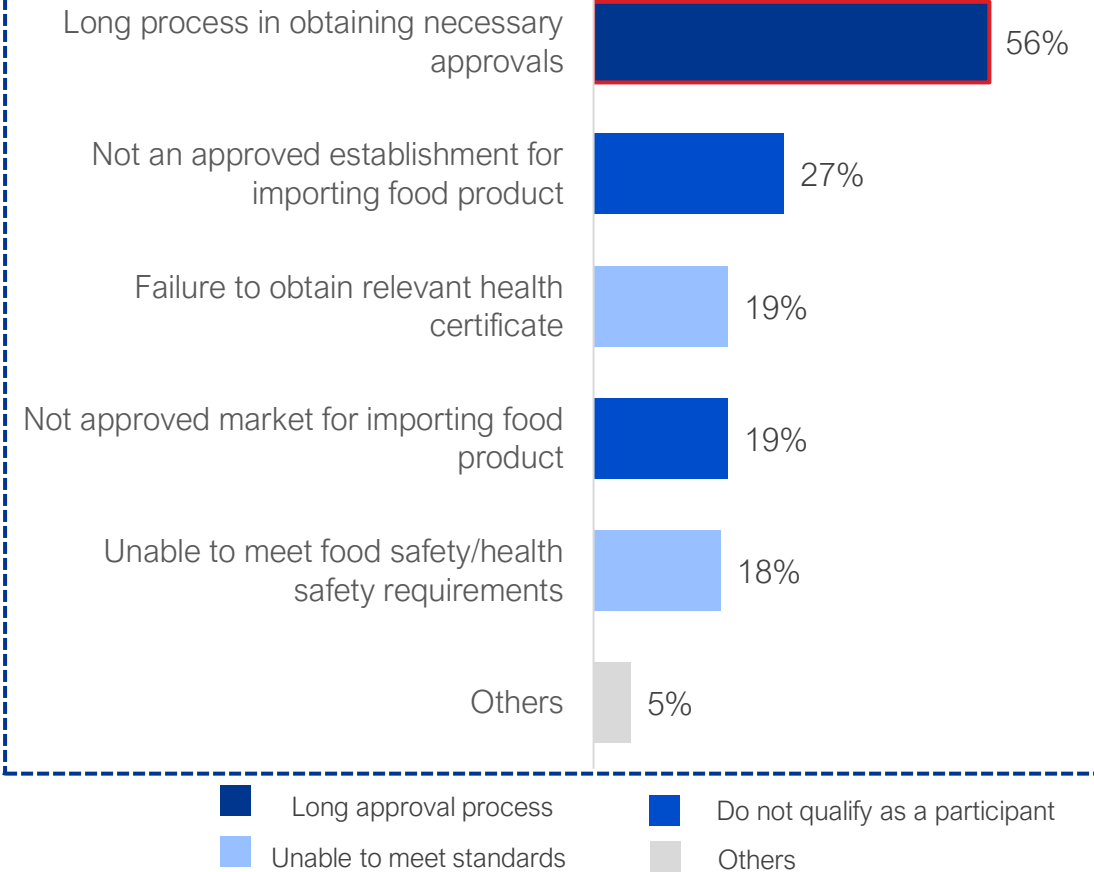
FTA User from WRT (Trade in Goods)

50% of respondents trading with SPS products faced challenges when exporting, citing the long approval process as the most common restraint encountered

## Facing Challenges When Exporting Sanitary and Phytosanitary (SPS) Products<sup>1</sup>



## Challenges in Exporting SPS Products<sup>2</sup>



Questions:

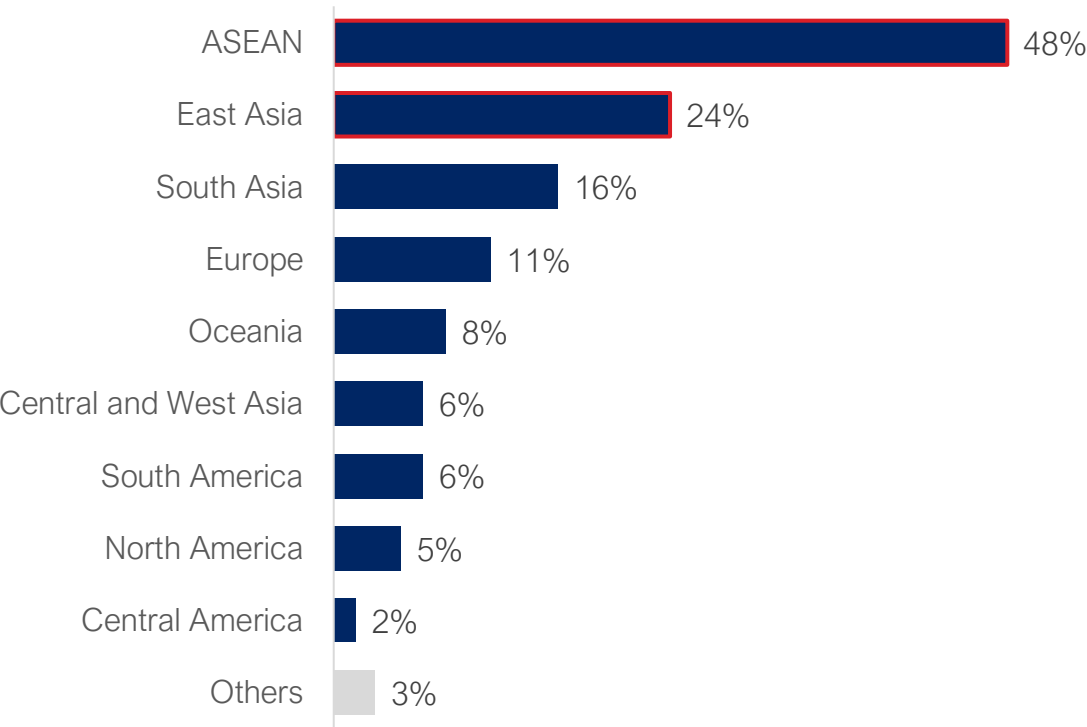
(1) Base (n), Respondents with SPS rules applicable to their business activities = 123, E1b: Are you facing any challenges when exporting food, animal, or plant products? Please select challenges that apply. [MA]

(2) Base (n), Respondents with SPS rules applicable to their business activities and whose companies currently face challenges in exporting food, animal or plant products = 62, E1b: Are you facing any challenges when exporting food, animal, or plant products? Please select challenges that apply. [MA]

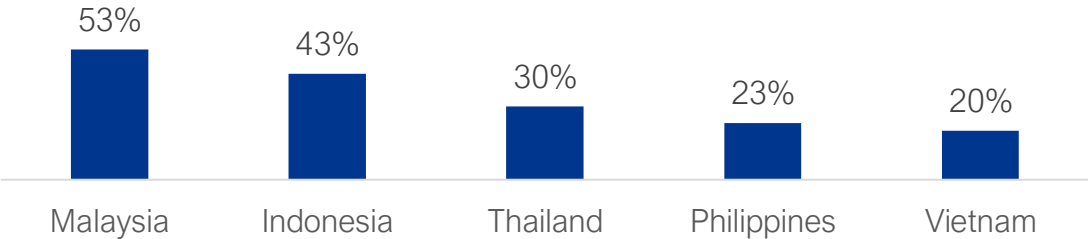
Source: FTA Survey

# Respondents trading with SPS products faced most difficulties when trading in the ASEAN region and East Asia, with Malaysia and China presenting the most challenges in their respective regions

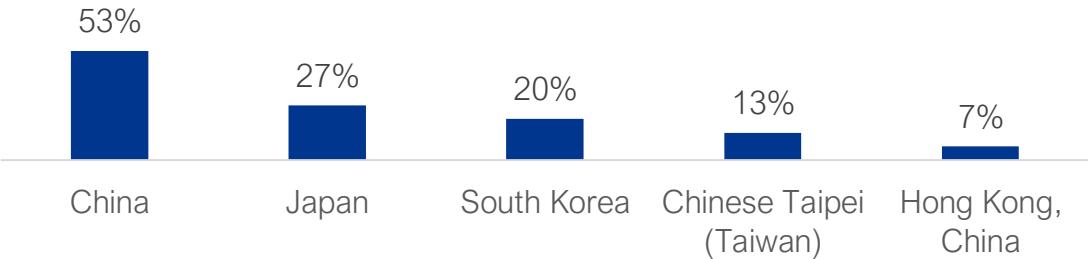
## Regions Facing Most Challenges with Exporting SPS Products<sup>1</sup>



## ASEAN – Top 5 Markets<sup>2</sup>



## East Asia – Top 5 Markets<sup>3,a</sup>



Questions:  
(1) Base (n), Respondents with SPS rules applicable to their business activities and facing challenges in export = 62, E2a: Which of the following markets did you face challenges in importing food, animal or plant products into importing markets? [MA]  
(2) Base (n), Respondents with SPS rules applicable to their business activities and facing challenges in export in ASEAN = 30, E2b: If you have selected the ASEAN region, which of the following markets did you face challenges in importing food, animal or plant products into importing markets? [MA]  
(3) Base (n), Respondents with SPS rules applicable to their business activities and facing challenges in export in East Asia = 15, E2d: If you have selected the East Asia region, which of the following markets did you face challenges in importing food, animal or plant products into importing markets? [MA]

Note: (a) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally  
Source: FTA Survey

The lack of quality information, stringent regulations which varies across markets, and lack of market access hindered the benefits that the businesses could have enjoyed from SPS

**The key challenges they encountered with SPS resulted in delays in obtaining the necessary approvals and market access**

**Relied on in-market's expertise information**

! **Long process in obtaining necessary approvals**

- Information provided by in-market authorities was **unclear and inaccurate**, which resulted in delays in obtaining export approvals for products
  - o E.g., Singapore Food Authority's export library did not provide accurate information for canned meat products required for export to Japan

! **Not an approved establishment for importing food product**

- **Testing criteria which differed across markets** made it difficult for local manufacturers to meet all the requirements demanded by each market
  - o E.g., EU had strict packaging requirements which differ greatly from those in other markets like Asia
- Additionally, some markets required repeated testing on products which were time consuming and costly

! **Not approved market for importing food product**

- Some markets **prohibited the import of meat products produced in Singapore**, even if 100% ingredients used in the product originated from within their own country
  - o E.g., USA and China in particular did not allow the import of meat products from Singapore

! **Unable to meet food safety / health safety requirements**

- **Stringent regulations from importing markets** made it difficult for local manufacturers to obtain approval for importing products
  - o E.g., Halal meat manufacturing factory must be located a specified distance away from pork producing factories

- **Relied on local customers and importing companies** for most updated and accurate information
  - Aided in translation of technical terms in documents which may have been misinterpreted in other translated text

## In the words of respondents...

**The key challenges they encountered with SPS resulted in delays in obtaining the necessary approvals and market access**

**Relied on in-market's expertise information**

“ **There is misinformation in the export library...** SFA states that the respondent's factory has to be a certain way in order to export hermetically sealed canned meat products to Japan, but that is apparently not the case according to our Japanese customer. **Only managed to get approval to export to Japan after getting black-and-white confirmation from our Japanese customer.** ”

FTA User from MFA (Trade in Goods - SPS)

“ **We try to export our halal meat products to Malaysia but we cannot** because they do not recognise our halal certification. The reason is because **you cannot have a halal factory within about 3km from a factory that is doing pork products. Singapore is so small...so that is a challenge.** ”

FTA User from MFA (Trade in Goods - SPS)

“ **I think the importer plays a major part. If you look at the FTA regulations, you can never understand.** So you need to get the **local people who know the languages and know the regulations.** Because the EU has so many languages. ”

FTA User from MFA (Trade in Goods - SPS)

“ **But I wish that whatever SFA-approved as meat sources and establishments should be the same as the EU countries... there must be some agreement.** ”

FTA User from MFA (Trade in Goods - SPS)

“ **Multiple countries have separate approvals... we try to avoid countries that are challenging to export to as it's not sustainable, such as Vietnam and Indonesia... we aim for established markets where the rule are clear cut** ”

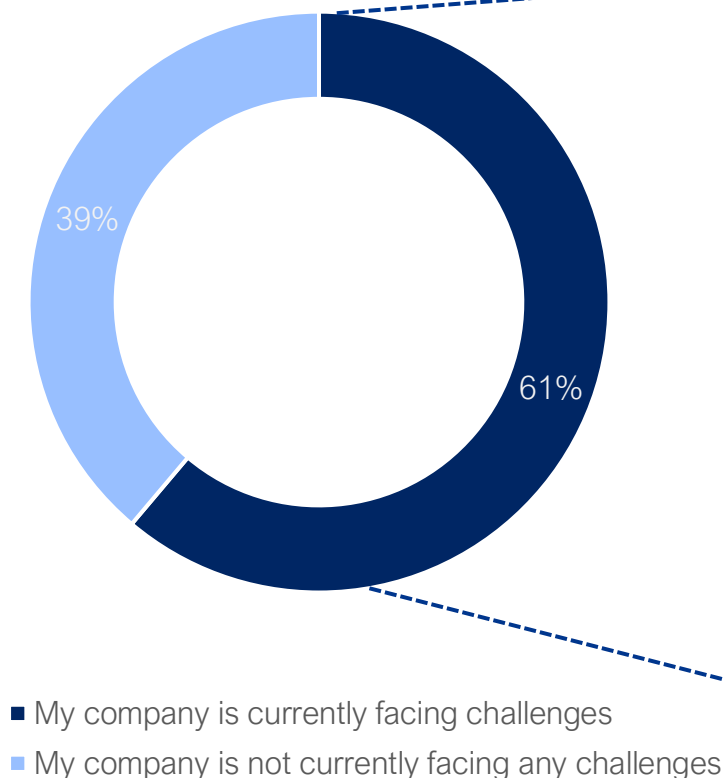
FTA User from MFA (Trade in Goods - SPS)

“ **SFA export library is not good enough.** Had to consult the Japanese importing authorities to confirm regulations ”

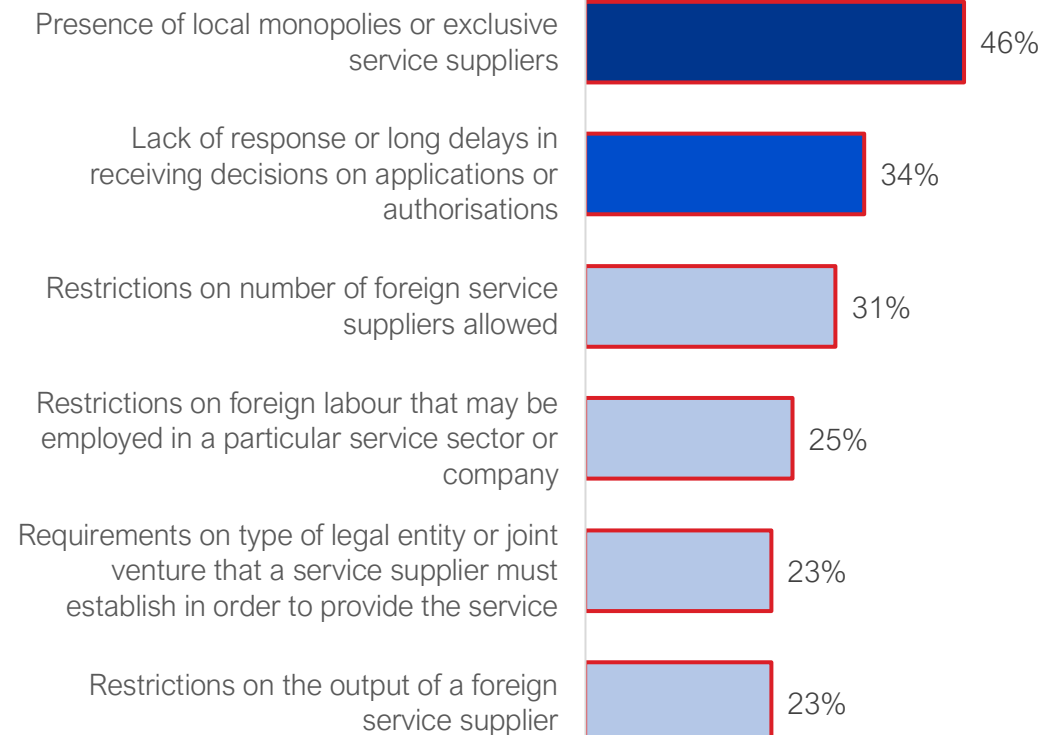
FTA User from MFA (Trade in Goods - SPS)

61% of respondents faced challenges when providing services overseas, and cited the presence of local monopolies, inefficiencies in application or authorisations, and restrictions on service suppliers and labour as top challenges

## Faced Challenges in Supplying Services Overseas<sup>1</sup>



## Top 6 Challenges Faced<sup>2</sup>



■ Concentrated market share ■ Delay in process ■ Restrictions on service

### Questions:

(1) Base (n), Respondents providing services overseas and aware of TIS chapters = 376, F6: Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. [MA]

(2) Base (n), Respondents providing services overseas, aware of TIS chapters and facing challenges = 228, F6: Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. [MA]

Source: FTA Survey

Legend:  Significantly higher than overall (at 95% confidence interval)

Slightly more FTA Non-Users encountered challenges than Users when supplying services overseas. Within industries, the FIA industry faced more challenges as compared to the T&S industry

Faced Challenges in Supplying Services Overseas – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TS&I only)	
		Users	Non-Users	T&S	FIA <sup>a</sup>
Base (n)	376	295	81	60	27
My company is currently facing challenges	61%	60%	64%	67%	89%
My company is not currently facing any challenges	39%	40%	36%	33%	11%

Questions:  
(1) Base (n), Respondents providing services overseas and aware of TIS chapters = 376, F6: Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. [MA]

Note: (a) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally  
Source: FTA Survey

Presence of local monopolies and the inefficiencies in applications or authorisations were the most prevalent challenges for most segments, except for Non-Users who primarily faced restrictions with entity requirements

### Top 5 Challenges Faced in Trade in Services – By Segments<sup>1</sup>

	NET	FTA Usage		Top Industries (TS&I only)	
		Users	Non-Users	T&S	FIA <sup>a</sup>
<i>Base (n)</i>	228	176	52	40	24
Presence of local monopolies or exclusive service suppliers	46%	#1 49%	#2 37%	#2 33%	#1 46%
Lack of response or long delays in receiving decisions on applications or authorizations	34%	#2 35%	#3 31%	#1 38%	#2 42%
Restrictions on number of foreign service suppliers allowed	31%	#3 32%	25%	23%	#3 29%
Restrictions on foreign labour that may be employed in a particular service sector or company	25%	20%	#1 44%	23%	#3 29%
Requirements on type of legal entity or joint venture that a service supplier must establish to provide the service	23%	20%	#3 31%	#3 30%	25%
Restrictions on the output of a foreign service supplier	23%	24%	17%	#3 30%	8%

Questions:

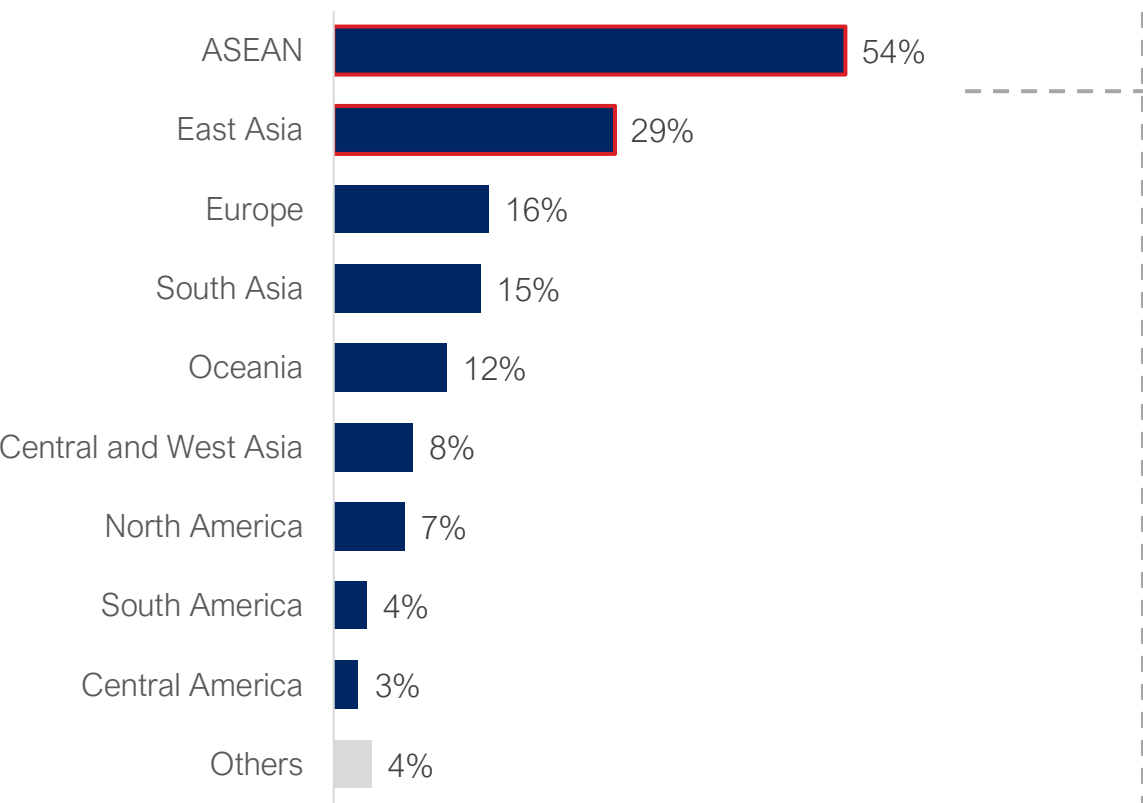
(1) Base (n), Respondents providing services overseas, aware of Tis chapters and facing challenges = 228, F6: Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. [MA]

Note: (a) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally

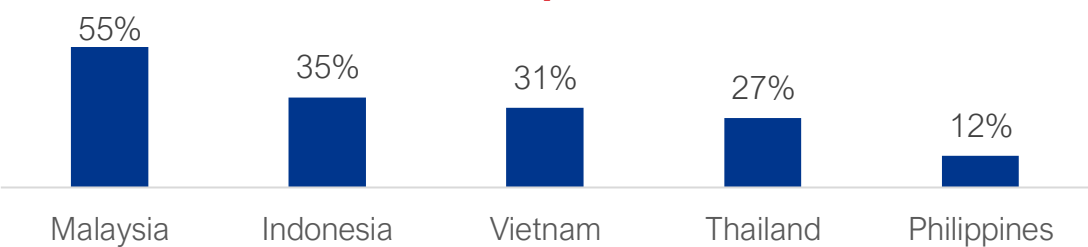
Source: FTA Survey

# Respondents faced most difficulties when supplying services in ASEAN and East Asia, with Malaysia and China presenting the most challenges in their respective regions

## Regions Posing the Most Challenges for Supplying Services<sup>1</sup>



## ASEAN – Top 5 Markets<sup>2</sup>



## East Asia – Top 5 Markets<sup>3</sup>



Questions:  
(1) Base (n), Respondents providing services overseas and facing challenges = 228, F7a: Which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? [MA]  
(2) Base (n), Respondents providing services overseas and facing challenges in ASEAN = 122, F7b: If you have selected the ASEAN region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.  
(3) Base (n), Respondents providing services overseas and facing challenges in export in East Asia = 67, F7d: If you have selected the East Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.

## The services industry faced a multitude of different challenges highlighting the complex landscape service suppliers face beyond regulatory compliance

### Challenges faced by services industry include...

#### ! Presence of local monopolies or exclusive service suppliers

- In some markets, **customers gave clear preference to awarding service contracts only to local companies** which made it harder to for foreign business to be awarded projects
  - o E.g., Respondent's company had to become a sub-contractor of local company to be able to get business from a leading national company in Malaysia

#### ! Restrictions on foreign labour that may be employed in a particular service sector or company

- **Restrictions placed by foreign government on the percentage of local employees** that may be employed in the project, which limits the talent pool and quality of workers involved in the project

#### ! Other challenges faced by services industry

- **Governments requiring proof of certification of service suppliers** – some respondents had to produce proof of certification this may result in delay services supplied as certifications need to be translated from one language into the local language
- **Insufficient assistance for legal challenges faced abroad** – encountered legal hurdles overseas and expressed a lack of support in addressing them
  - o E.g., due to the company's headquarters being in Russia, certain local entities cited global sanctions to terminate contracts, leaving the Singapore-based company powerless

“ Some **states in India** require that you need **75% of the people (in your project) coming from that state only**... they don't recognise the other parts in India... so that makes it a **little complicated for companies like us** because we are there to provide a service not to get involved in this politics ”

FTA User from Professional, Scientific and Technical Activities (Trade in Services and Investments)

“ In Indonesia, **they require to see the certifications**. So, for example, a Japanese engineer, has documents in Japanese and that needs to go through a **translation process... it is a bit more of a hassle** ”

FTA Non-user from Professional, Scientific and Technical Activities (Trade in Services and Investments)

“ We had one model from Japan, who came to Singapore to do a cover shoot... but when I check the agreement, **I find it is difficult to find the tax rates**... and I realised for models coming to Singapore there are two categories (for services supplied)... **these two types of services have different tax rates**... Since already paid tax in Japan, **no need to pay anything in Singapore** ”

FTA User from Information and Communications (Trade in Services)

Despite the challenges, those supplying services have found their experience relatively smooth and were not significantly disadvantaged by the obstacles they face

**Most rated that their experience supplying services overseas has been at least moderately smooth overall**

- ✓ **Smooth experience trading overseas on the whole, no major issues faced except in developing markets**
  - Most respondents found their experiences supplying services overseas **relatively smooth**
  - **Only faced issues in developing countries** where infrastructure for supplying services overseas not well established yet and may require knowing “the right people” to grease the wheels for projects conducted here
  - Faced most challenges in developing markets such as Bangladesh, India, Myanmar, Pakistan, Vietnam, etc.
- ✓ **Singapore’s level of expertise and experience highly regraded**
  - Some foreign customers have **specifically requested Singaporean entities** to work on projects due to their **high level of expertise and experience**
  - The perceived high quality of expertise gives Singaporean services an advantage over other companies in the region
- ✓ **Relatively free movement of people across borders**
  - Previously, individuals faced issues obtaining visas in countries like Indonesia
  - However, personnel from most Singapore-based businesses can now **cross borders relatively easily** because they can apply for visas on arrival or use the APEC Business Travel Card with ease

“ I have a 3 (moderately easy to trade overseas)... Just to sum up, **I don’t think there’s an issue overall.** For example, **we span across many regions, I don’t see any real challenges except in a few particular countries**, India, Vietnam, Myanmar, Pakistan, Bangladesh... the developing countries, **a lot of time the infrastructure is not there... you just need to know the right people if you know what I mean** ”

FTA Non-user from Professional, Scientific and Technical Activities (Trade in Services and Investment)

“ **People value companies from Singapore.** For example, in India, there is a town in India that **specifically wanted my company, to come up with the engineering expertise and build model towns like how we have HBD here but do it over there.** So, this talks about **our expertise and value to the Southern State.** ”

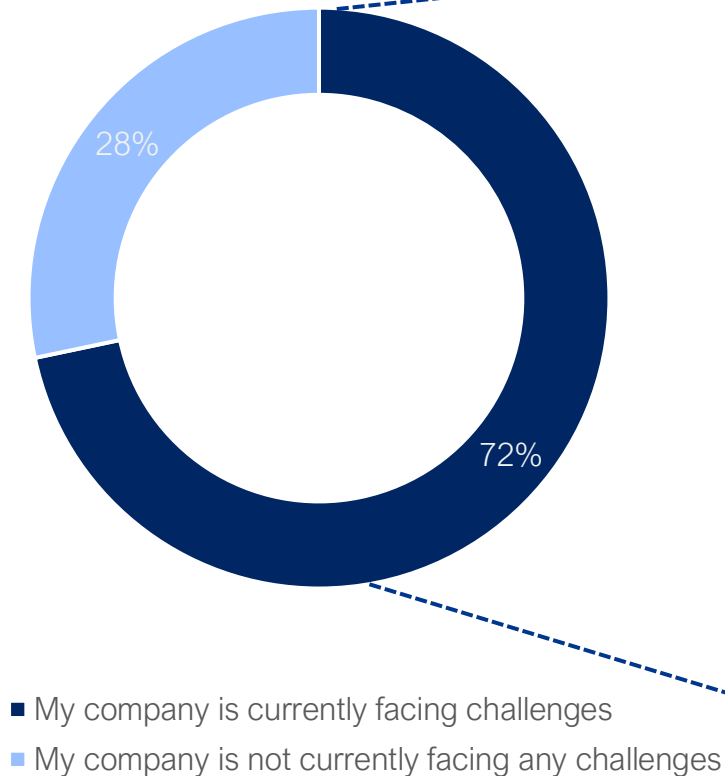
FTA User from Professional, Scientific and Technical Activities (Trade in Services and Investment)

“ **Actually, I would recommend you apply for the APEC business travel card, they are at least 19 countries you can use it in. With this card, you don’t have to apply for visa, it is quite useful and it valid for 5 years. For Singaporeans, it’s easy to get this card.** ”

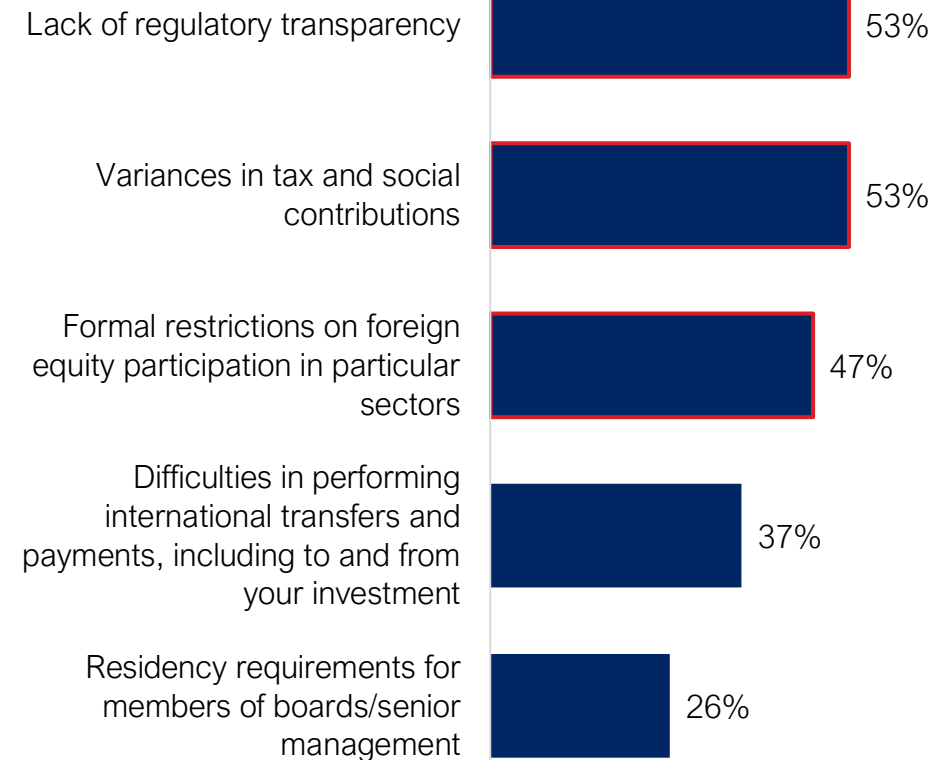
FTA Non-user from Financial and Insurance Activities (Trade in Services and Investment)

72% of respondents faced challenges when investing overseas, citing regulatory opacity, variations in tax and social contributions, and restrictions on foreign equity participation as top challenges

### Encountered Challenges When Investing Overseas<sup>1</sup>



### Top 5 Challenges Faced Investing Overseas<sup>2,a</sup>



#### Questions:

(1) Base (n), Respondents investing overseas = 53. G3: Have you encountered any obstacles/difficulties when investing overseas? [MA]

(2) Base (n), Respondents investing overseas and facing challenges = 38. G3: Have you encountered any obstacles/difficulties when investing overseas? [MA]

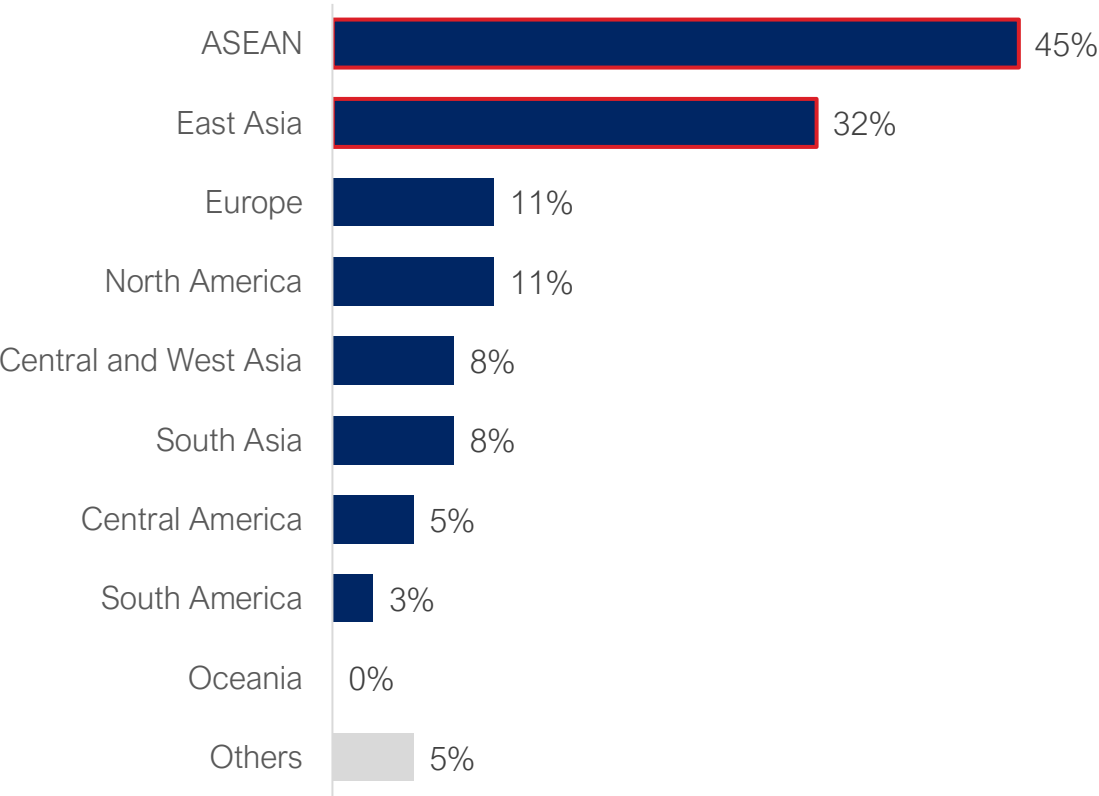
Note: (a) A further segment breakdown cannot be provided as n is too small (n<10) when segmented

Source: FTA Survey

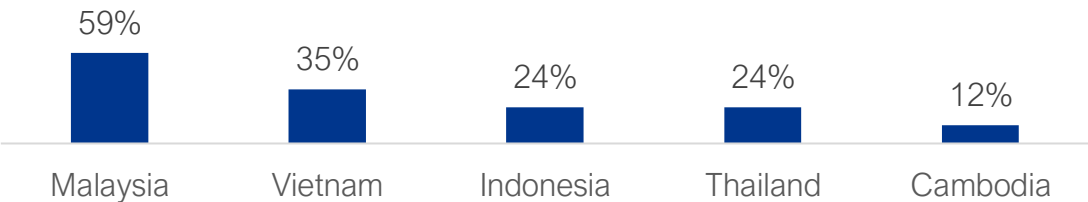
Legend:   Significantly higher than overall (at 95% confidence interval)

Respondents faced most difficulties when investing overseas in the ASEAN region and East Asia, with Malaysia and China presenting the most challenges in their respective regions

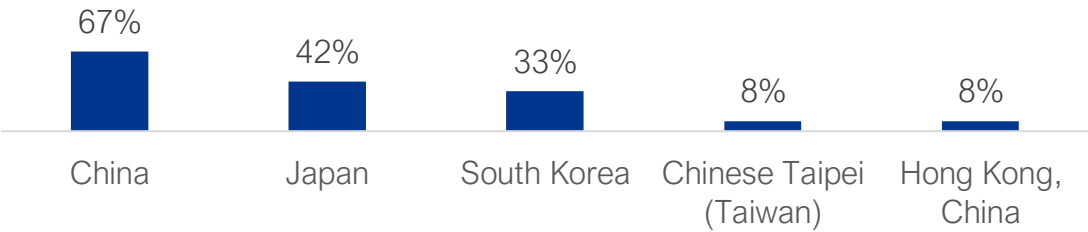
Regions Posing the Most Challenges for Investments<sup>1</sup>



ASEAN – Top 5 Markets<sup>2,a</sup>



East Asia – Top 5 Markets<sup>3,a</sup>



Questions:  
(1) Base (n), Respondents investing overseas and facing challenges = 38. G4a: Which of the following markets of importation you encountered any obstacles/difficulties when investing overseas? [MA]  
(2) Base (n), Respondents investing overseas and facing challenges in ASEAN = 17, G4b: If you have selected the ASEAN region, which of the following markets of importation you encountered any obstacles/difficulties when investing overseas?  
(3) Base (n), Respondents investing overseas and facing challenges in East Asia = 12, G4d: If you have selected the East Asia region, which of the following markets of importation you encountered any obstacles/difficulties when investing overseas?

Respondents investing overseas faced a myriad of challenges, including regulatory opacity hindering license acquisition, discrepancies in tax information availability, and cumbersome international fund transfers

### Challenges faced by those investing overseas included...

#### ! Lack of regulatory transparency

- **The lack of transparency of constant regulation changing** made it difficult for those investing overseas to obtain the necessary licenses to invest in setting up entities overseas

#### ! Variances in tax and social contributions

- **No centralised portal to calculate different tariff rates of** – some respondents faced challenges with calculating the different tax rates for various types of services or investment activities and relied on the Inland Revenue Authority of Singapore for information
- Furthermore, some markets **lacked clear information on tax information** and respondents were unclear which in-market regulators to contact for more information

#### ! Difficulties in performing international transfers and payments

- **Bank transfers are now very stringent** and require multiple checks and proof of source of income which delayed in funds being transferred in a timely manner
- Additionally, **banks' operations in each market disjointed and independent**, even within different branches of the same market which increased the complexity of funds transfers

“ We wanted to expand our business overseas and tried to set up a company in India... **but every time we talk to someone one week later, things change in terms of the licenses we have to apply for and each time the process takes a few weeks. We had to engage a consulting company in India to resolve the issues.** ”

FTA Non-user from Professional, Scientific and Technical Activities (Trade in Services and Investment)

“ We had one model from Japan, who came to Singapore to do a cover shoot... **but when I check the agreement, I find it is difficult to find the tax rates...** and I realised for models coming to Singapore there are two categories (for services supplied)... **these two types of services have different tax rates...** Since already paid tax in Japan, **no need to pay anything in Singapore** ”

FTA User from Information and Communications (Trade in Services and Investments)

“ Now **bank transfers are very stringent**, they have more checks which will **delay (payments) by one or two days.** ”

FTA User from Professional, Scientific and Technical Activities (Trade in Services and Investment)

In addition to initial challenges, respondents also faced issues like inadequate investment protection abroad, limited access to financial services, and lengthy investment processes

### Other challenges faced by those investing overseas include...

- ! **Insufficient protection for investments in suspended projects overseas**
  - While respondents recognised the inherent risks of investing overseas, they expressed concern over the **lack of adequate measures to safeguard their investments**, particularly in projects that falter due to factors beyond their control, such as political instability
  - Many respondents found that their **funds locked in overseas ventures**, especially in projects left in a state of uncertainty
- ! **Difficulty faced with accessing financial services**
  - Some respondents faced **challenges in setting up a bank account or applying for loans** because they were considered a foreign entity
  - Newly established entities also encountered difficulties in obtaining loans as they lacked financial stability
- ! **Long process for obtaining investments**
  - Some respondents found the **process to purchase share or acquire new companies to be long and tedious** as it required many iterations of information sharing, verification and finalisation

“

*There were a lot of issues that we faced... sometimes some government person will come and say, “this is bad for the country” and they would just force that on you...and you’re stuck and you’re wondering what about the agreements?*

”

*FTA User from Professional, Scientific and Technical Activities (Trade in Services and Investment)*

“

*It was **difficult to open a bank account as a foreign entity in Malaysia... then applying for a loan was even more complicated because...** they banks function independently and the approval process was all separate. Also, as a new entity, the first year’s Profit and Loss statement is not good, so it was difficult to get approval*

”

*FTA Non-user from Professional, Scientific and Technical Activities (Trade in Services and Investment)*

“

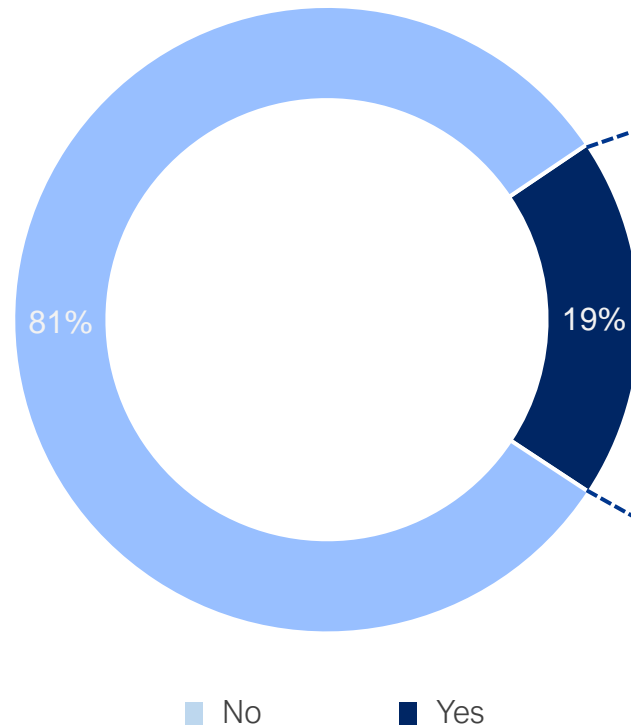
*Buying a share... Acquiring a new company as well... was a **long process of information sharing, verification and finalization**. It actually took a **few months to complete all the formalities** after the official announcement.*

”

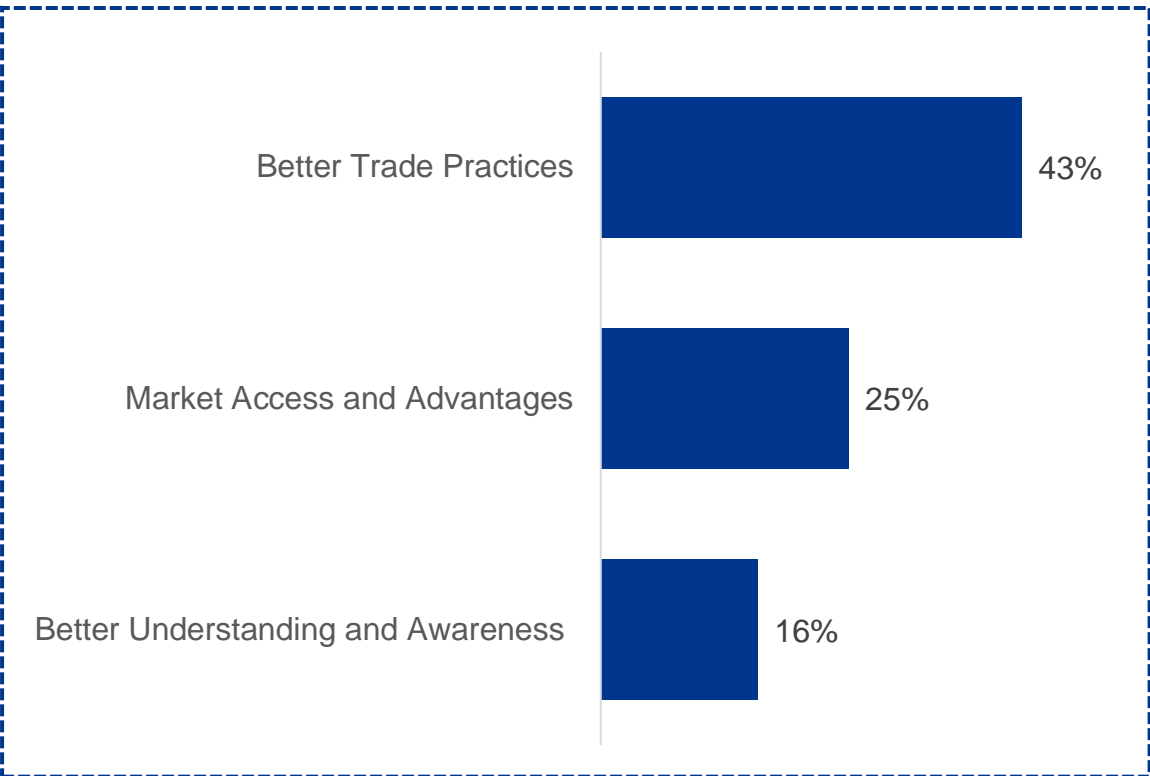
*FTA User from Professional, Scientific and Technical Activities (Trade in Services and Investment)*

19% of respondents factored in the presence of government procurement chapters in FTAs when considering public tenders, seeking improved trade practices and market access and advantages

**Consider FTA with Government Procurement Chapter Before Applying for Public Tender<sup>1</sup>**



**Top 3 Reasons for Considering Markets with Government Procurement Chapter<sup>2</sup>**



Questions:  
(1) Base (n), Respondents aware of government procurement chapters in FTAs = 628, H4: Would you consider whether a market has an FTA with a government procurement chapter with Singapore before applying for a public tender in that market? [MA]  
(2) Base (n), Respondents aware of government procurement chapters in FTAs and would consider the same before applying for a public tender in that market= 118, H4: Would you consider whether a market has an FTA with a government procurement chapter with Singapore before applying for a public tender in that market? [MA]

Source: FTA Survey

Across all segments, better trading practices and gaining market access and advantages were the top considerations for government procurement chapters

Top 3 Reasons for Considering Markets with Government Procurement Chapter – By Segments<sup>1</sup>

	NET	FTA Usage		Type of Trade	
		Users	Non-Users <sup>a</sup>	TIG	TS&I
Base (n)	118	101	17	56	89
Better Trade Practices	43%	46%	29%	38%	44%
Market Access and Advantages	25%	26%	24%	21%	28%
Better Understanding and Awareness	16%	16%	18%	16%	13%

Questions:  
(1) Base (n). Respondents aware of government procurement chapters in FTAs and would consider the same before applying for a public tender in that market = 118, H4: Would you consider whether a market has an FTA with a government procurement chapter with Singapore before applying for a public tender in that market? [MA]

## Navigating government tender projects overseas, particularly in regions with frequent political transitions, posed risks of contract non-compliance and opaque processes and requirements

### Challenges faced with government tenders

#### ! Tender process is not always transparent

- Some respondents suggested that to succeed in the government tender, **they must know the right contacts “to know how it works”**
- The process for **application may not always be transparent** and having in-market experience and expertise may put some businesses at a greater advantage than others

#### ! Preference for local / indigenous teams

- Some respondents found that companies with **local indigenous team members were more likely to win** government projects despite that not being an explicit criteria indicated in the tender
  - o E.g., in Brunei, Indonesia and Malaysia, there was a preference for teams to consists of local indigenous team members, such as the Bumiputera in Malaysia

#### ! Governments may not always honour contracts signed

- Unlike Singapore, the **government in office may change every three to five years** in other countries and this has been very **disruptive for government contracts**
- The new government in office **may not always honour the contract** and may **choose to end the contract** or indefinitely pause the contract due to budget cuts **without any compensation to Singapore businesses**
  - o E.g., in Vietnam, the projects may not move forward due to sudden budget cuts imposed when a new government takes over

“

*(for government tenders in **Taiwan**) you **need to know the right connections**, but a lot of times, again, they are affected by the political situations*

”

FTA User from Manufacturing (Trade in Goods)

“

*Although we **have an agreement signed with the local government**, but when the **government changed**, they said “**We don’t need that project anymore**”*

”

FTA User from Professional, Scientific and Technical Activities  
(Trade in Services and Investments)

“ We are very involved in the subway...they are building third line in Kuala Lumpur... Even within the Malaysian company, **they don’t know even know if it will continue, because political instability**... we have almost given up investing our resources... because **although we have the new contract signed, we are worried the new government may not honour it** ”

FTA User from Manufacturing (Trade in Goods)

# ASSESS: FTA NON-UTILISATION

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- Reasons for Not Utilising FTAs
- Verbatims for Reasons for Not Utilising FTAs

## Questions from Survey

### FTA, CHAPTERS & PROVISION AWARENESS

#### Section A.

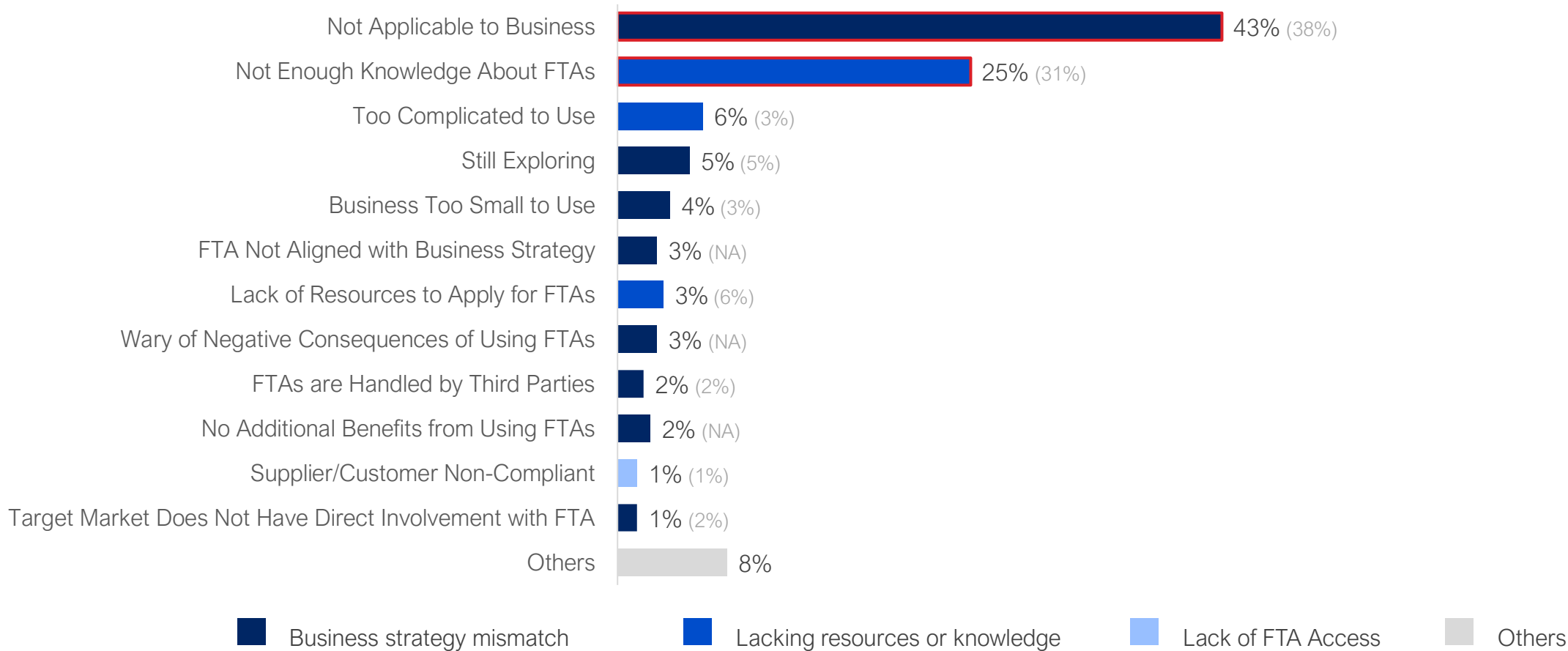
A8: You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs.

## Chapter Focus...



# Some businesses did not utilise FTAs because they found the agreements inapplicable to their operations and lacked sufficient knowledge about FTAs

## Reasons for Not Using FTAs<sup>a</sup>



Questions:  
Base (n), Respondents not using FTAs = 219, A8: You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs. [OE]

Across all segments, the predominant reason for not utilising FTAs was the perception that they did not apply to respondents’ businesses, with insufficient knowledge about FTAs being the second most commonly cited obstacle

Top 5 Reasons for Not Using FTAs – By Segments<sup>1</sup>

	NET	Type of Trade		Top Industries					
		TIG	TS&I	Manufacturing	WRT	MFA <sup>a</sup>	Construction <sup>a</sup>	T&S <sup>b</sup>	FIA <sup>b</sup>
Base (n)	219	129	127	40	45	17	25	9	9
Not Applicable to Business	43%	#1 33%	#1 46%	#1 40%	#1 42%	#1 47%	#1 44%		
Not Enough Knowledge About FTAs	25%	#1 33%	#2 23%	#2 13%	#2 29%	#2 24%	#2 20%		
Too Complicated to Use	6%	2%	9%	3%	2%	12%	16%		
Still Exploring	5%	6%	3%	8%	7%	12%	0%		
Business Too Small To Use	4%	3%	6%	5%	4%	0%	0%		

Questions:  
(1) Base (n), Respondents not using FTAs = 219, A8: You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs. [OE]

## In the words of respondents...

### Top 2 Reasons for Non-Usage<sup>1</sup>

#### Not applicable to business

*"It is due to the **nature of our business** which **does not require FTAs** too much. But we may **consider once we expand more overseas.**"*

*"We mostly **deal with local suppliers** who are **using FTAs**"*

*"Products that re-export **doesn't apply to FTA.**"*

*"We **do not produce any products** that **need to use FTAs** at the moment."*

#### Not enough knowledge about FTAs

*"Some **clients are not fully aware of the benefits** of FTAs or **do not request FTA-compliant shipping.** In such cases, **logistics companies may not proactively use FTAs unless requested.**"*

*"We are **unaware how re-exporting products and services** from Singapore is **relevant to our sector.**"*

*"There is **no knowledge** of the **implementation** and its **benefits**"*

*"**Did not realise how to use FTAs.** I was of the **opinion that FTA duty rates will apply automatically.**"*

Questions:

(1) Base (n), Respondents not using FTAs = 219, A8: You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs. [OE]

## In the words of respondents...

### Other Reasons for Non-Usage<sup>1</sup>

#### Too complicated to use

*"We **do not use FTAs** because they can be **complex and difficult to understand.**"*

*"**Complying with FTA rules and other requirements can be complex**, especially in our industry where materials and components are **sourced from various suppliers.**"*

*"We have a **good supply chain with trusted suppliers that may not be in the countries that are covered by FTA.** For using FTAs, we need to find and **qualify new suppliers** which is **time consuming process.**"*

#### Still exploring

*"We are only focusing on Singapore as most of our revenue is from Singapore. **In future we will think to explore.**"*

#### Business too small to use

*"The **amount of overseas trading is not significant enough.**"*

*"Overseas businesses **not big enough to go through the hassle of applying FTAs.**"*

#### Lack of resources to apply FTAs

*"We **do not have in-house experts or peers** that are able to **provide us with the information.**"*

#### Wary of negative consequences

*"We rely on a small number of suppliers within a single country, so the **cost and complexity of including FTA benefits into their operations may be unjustified.**"*

#### Handled by third-parties

*"We **rely mostly on our forwarders** to handle any shipments or trans-shipments."*

Questions:

(1) Base (n), Respondents not using FTAs =219, A8: You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs. [OE]

The majority of respondents not utilising FTAs expressed a lack of motivation to use FTAs rather than encountering specific barriers to use them

### Respondents did not utilise FTAs because they lacked significant motivating factors

#### ! Not applicable to business

- Respondents believed that the FTA **was not applicable** to them because they are **not facing any significant hurdles**
- Respondents, especially those in trade in **services and investment**, also had the **misconception that FTAs were mainly for those trading in goods** and thus were not motivated to try applying for FTAs

#### ! Not enough knowledge about FTAs

- Respondents stated that they **lacked the confidence to effectively apply FTAs** to their business due to a lack of knowledge
- Also, respondents were not motivated to find out more about FTAs if **not required by senior managers**

#### ! FTA Not aligned with business strategy

- Respondents believed that the benefits reaped owing to use of **FTAs does not convincingly outweigh the cost or quantum of resources employed** towards leveraging FTAs

#### ! No additional benefits from using FTAs

- Respondents were **not able to see the significant “bottom-line” or significant cost benefits** of using FTAs, primarily because these benefits were not explicitly communicated to respondents or benefits highlighted to them were not of interest
  - o E.g., businesses already enjoying relatively smooth flow of goods may not be enticed by slightly shorter customs clearance procedures through FTAs

### Respondents did not use FTAs because they faced hurdles in using FTAs

#### ! Too complicated to use

- Respondents were **discouraged by the complex FTA utilisation processes** as they already feel overwhelmed but current business compliances in Singapore

#### ! Lacking resources to apply for FTAs

- Respondents, particularly **small and medium-sized enterprises**, emphasised their inability to **bear the resource-intensive process required to fully utilise FTAs**
  - o E.g., time need to understand and apply for FTA, FTA-consultant costs, etc.

## In the words of respondents...

## Respondents did not utilise FTAs because they lacked significant motivating factors

“

**Not enough to just give benefits.** There must be a common denominator, and you get a certain discount, for businesses who follow.

”

FTA Non-User (Trade in Services)

“

I just think when you are in a company, I think it also depends on the nature of your business whether you really need this. If your **superior or your boss level never mentions such thing (referring to FTAs)**, it seems like it's **not that useful or necessary**.

”

FTA Non-User (Trade in Services)

“

One thing you see for us, **I think majority of them are an SME. In the big organizations they probably have a bigger team** because of which a different team or different unit or department can handle this themselves.

”

FTA Non-User (Trade in Services)

“

As I mentioned that I'm providing services. **There's no product. So, because of that, then it's something that is not probably not covered under FTAs.**

”

FTA Non-User (Trade in Services)

“

**It does not benefit my industry - processed meat products**, because FTAs, there are so many industries for FTAs. **I think they give priority to electronics or certain manufacturing sectors** but not for processed pig meat industry... Even though we are one or two companies they don't want to help. They say we are too small.

”

FTA Non-User (Trade in Goods - SPS)

“

We are aware that **we have specialists who are dealing with this type of topics and you have to purchase the service**, so it is something that we would like to avoid for a simple reason that because the **litigation cost is so high, the expertise cost is so high, the consultancy is high.**

”

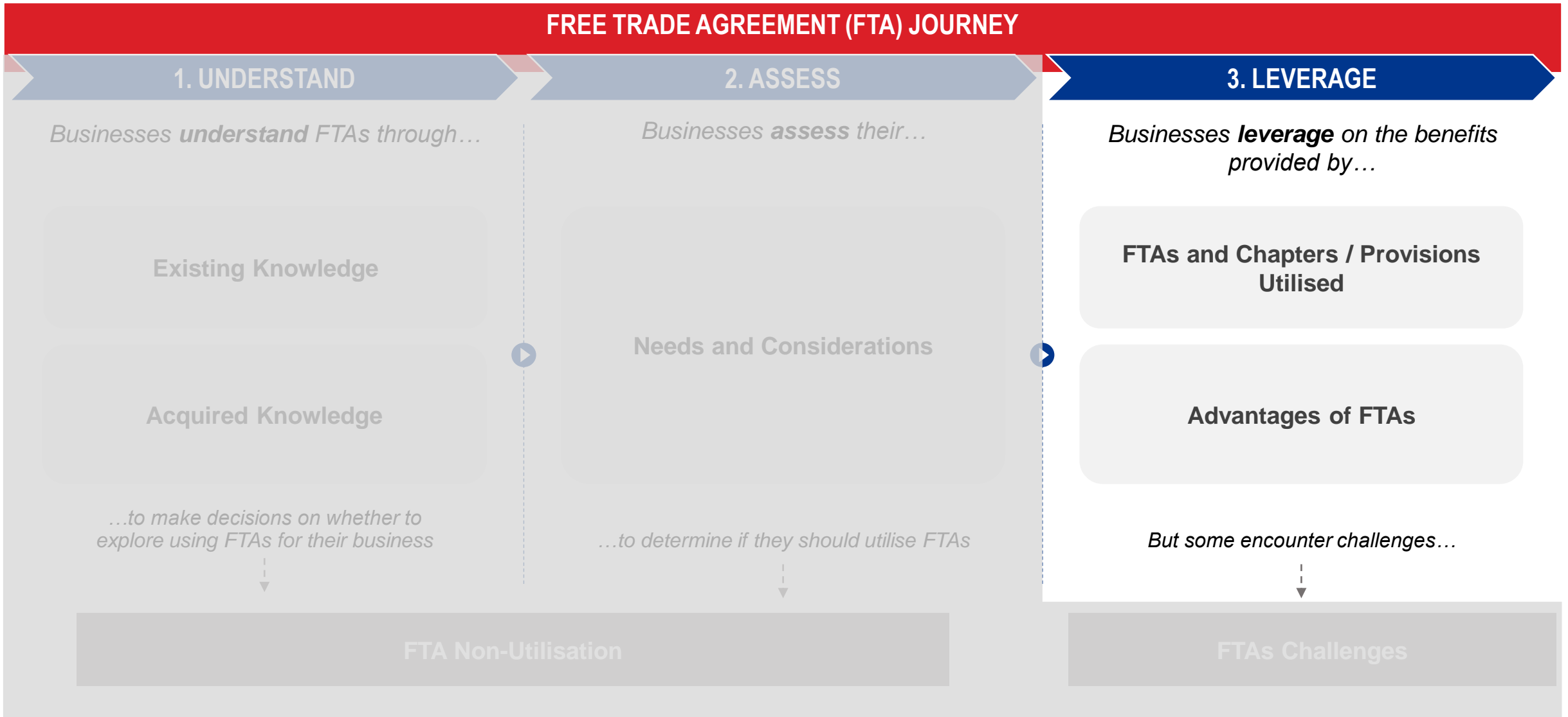
FTA Non-User (Trade in Services)

# LEVERAGE

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- Top 10 FTAs Used in 2021 and 2023
- Usage of Trade in Goods Provisions
- Usage and Usefulness of Advance Rulings
- Value of the E-Commerce Chapter in FTAs

## Chapter Focus...



## Questions from Survey

**Section A.** **FTA, CHAPTERS & PROVISION AWARENESS**  
A6: For each of the markets selected, is your company currently using any of these FTAs?






**Section C.** **TRADE IN GOODS & RULES OF ORIGIN**  
C2b: You mentioned that you have used advanced rulings for your goods/consignments, which of the following advanced rulings did you utilise? Please select all that apply.  
C2c: How helpful were the advance rulings in increasing the speed of the customs process?

**Section D.** **TECHNICAL BARRIERS TO TRADE**  
D4b: You indicated that you are {D4a option}, are you using any of the TBT/STRACAP provisions in FTAs?  
D4c: You indicated that you are using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply.  
D4e: You indicated that you are NOT using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply.

**Section I.** **E-COMMERCE**  
I2a: Have you found e-commerce chapter in the FTA, such as CPTPP in facilitating conducting cross border digital services beneficial?  
I2b: In your opinion, how beneficial is the e-commerce chapter in the FTA, such as CPTPP to your business?

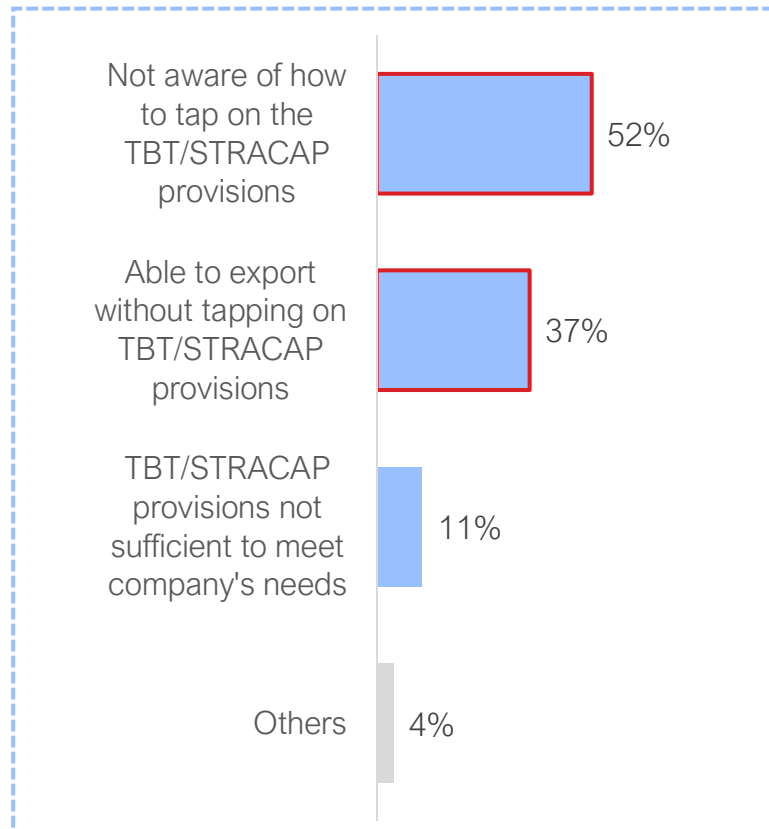
AFTA was the most utilised FTA in 2023, maintaining its ranking from 2021, followed by EUSFTA and RCEP; Overall, multilateral FTAs were preferred over bilateral agreements

Top 10 FTAs Utilised<sup>1</sup>

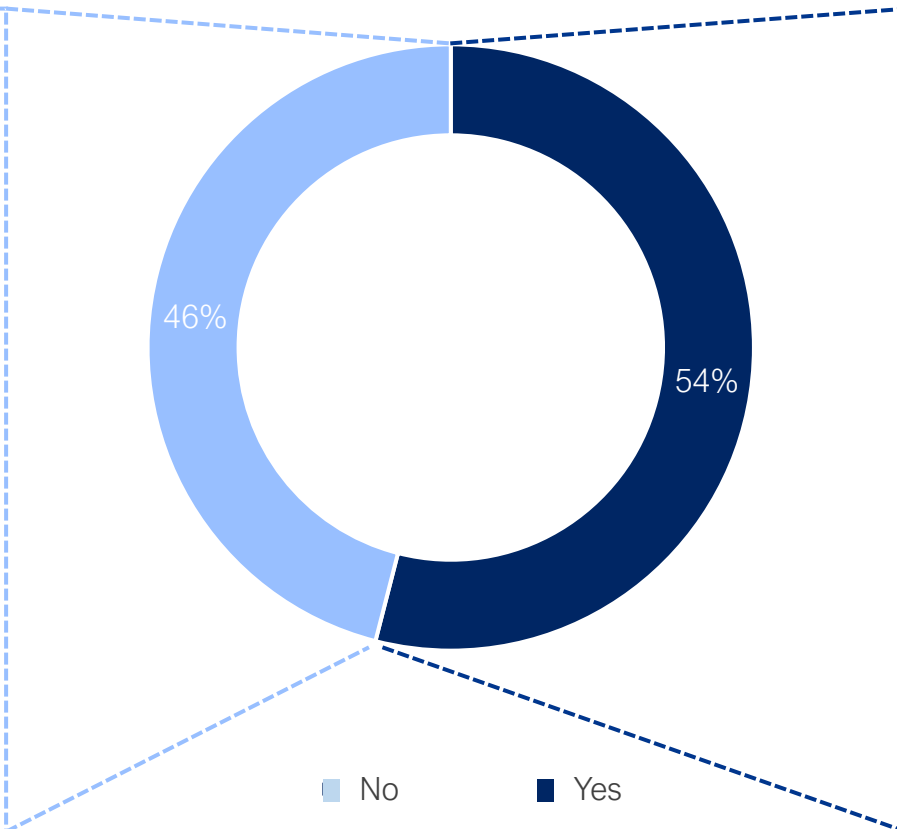
Rank	FTA	% of use	
		2023	2021 (Rank) <sup>a</sup>
#1	ASEAN Free Trade Area (AFTA)	81% 	45% (#1)
#2	European Union – Singapore Free Trade Agreement (EUSFTA)	44% 	21% (#9)
#3	Regional Comprehensive Economic Partnership (RCEP)	43%	NA ( - )
#4	ASEAN – China Free Trade Area (ACFTA)	41%	45% (#1)
#5	Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	38% 	11% ( - )
#6	ASEAN – India Free Trade Area (AIFTA)	36% 	26% (#6)
#7	ASEAN – Australia – New Zealand Free Trade Area (AANZFTA)	30% 	42% (#3)
#7	ASEAN – Japan Comprehensive Economic Partnership (AJCEP)	30%	26% (#6)
#9	ASEAN – Korea Free Trade Area (AKFTA)	21%	19% ( - )
#10	US – Singapore Free Trade Agreement (USSFTA)	17%	22% (#9)

Respondents who employed TBT/STRACAP provisions utilised standards, technical regulation, and transparency provisions most, while respondents not using provisions either lacked knowledge or could export without them

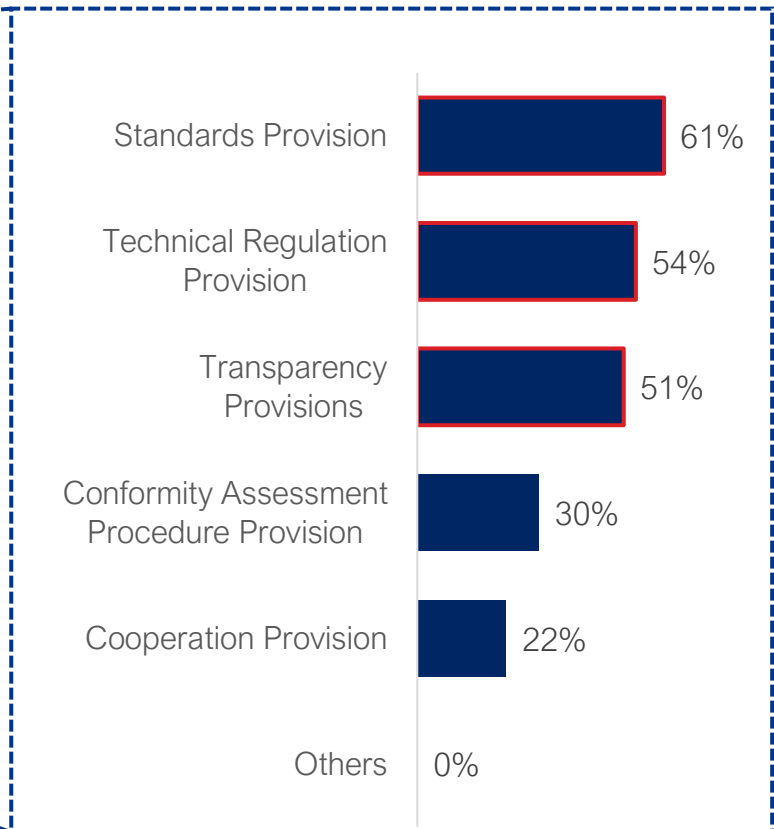
### Reason for Not Using Provisions<sup>3</sup>



### Using TBT/STRACAP Provisions<sup>1</sup>



### Using Specific Provisions<sup>2</sup>



#### Questions:

(1) Base (n): Respondents who TIG and are aware of TBT/STRACAP provisions in FTAs = 280, D4b: You indicated that you are Slightly aware/Moderately aware/Very aware/Fully aware, are you using any of the TBT/STRACAP provisions in FTAs? [MA]

(2) Base (n): Respondents who TIG and are using TBT/STRACAP provisions in FTAs = 151, D4c: You indicated that you are using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply. [MA]

(3) Base (n): Respondents who TIG and are not using TBT/STRACAP provisions in FTAs = 129, D4e: You indicated that you are NOT using TBT/STRACAP provisions in FTAs, what are some reasons for not using the provisions? Please select all that apply. [MA]

Standard provisions were most utilised by those in the Manufacturing industry, while transparency provisions were most utilised by those in the WRT and MFA industries

### Using Specific Provisions – By Segments<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT <sup>a</sup>	MFA <sup>a</sup>	Construction <sup>b</sup>
Base (n)	151	90	22	22	4
Standards Provision	61%	#1 67%	#2 45%	#2 55%	
Technical Regulation Provision	54%	#2 61%	#2 45%	#3 41%	
Transparency Provisions	51%	#3 51%	#1 55%	#1 55%	
Conformity Assessment Procedure Provision	30%	29%	36%	27%	
Cooperation Provision	22%	21%	27%	27%	

Questions:

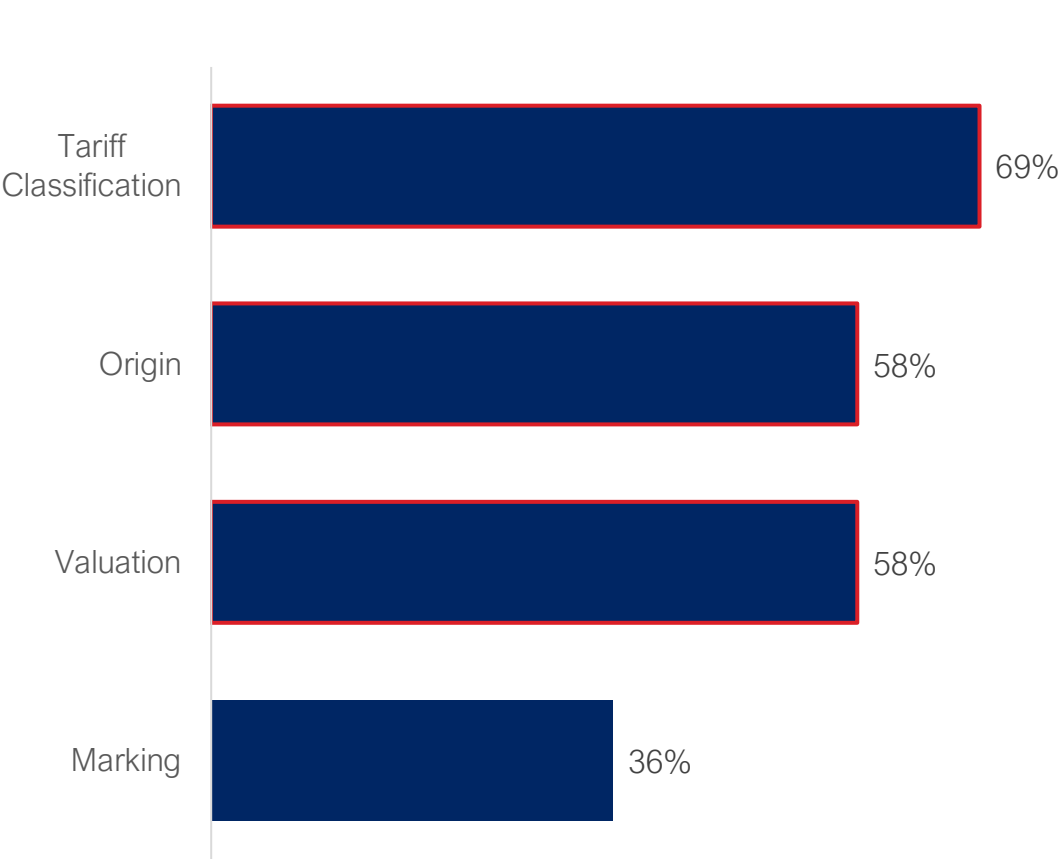
(1) Base (n): Respondents who TIG and are using TBT/STRACAP provisions in FTAs = 151, D4c: You indicated that you are using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply. [MA]

Note: (a) The sample size  $n < 30$  is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally; (b) The sample size  $n < 10$  is very small, hence is too small to interpret accurately

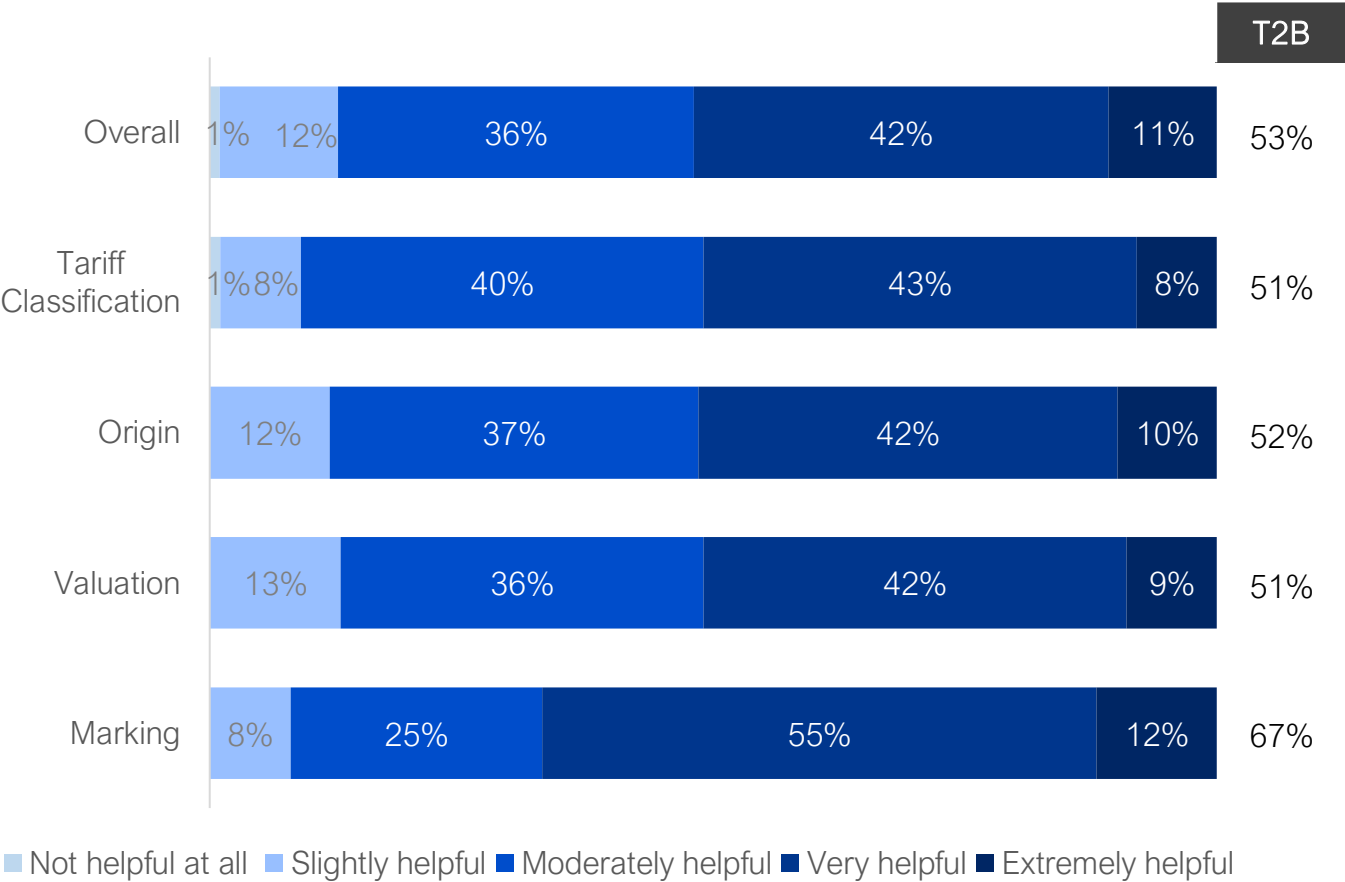
Source: FTA Survey

Respondents utilised tariff classification, valuation and origin the most. Overall, 53% of respondents found advance rulings very or extremely helpful, with advance ruling for marking being the most helpful

Advance Rulings Used<sup>1</sup>



Usefulness of Advance Rulings<sup>2,a</sup>



Questions:  
(1) Base (n): Respondents who TIG, using FTAs, and used advance rulings for your goods/consignments = 180, C2b: You mentioned that you have used advance rulings for your goods/consignments, which of the following advanced rulings did you utilise? [MA]  
(2) Base (n): Respondents who TIG, using FTAs, and used advance rulings for your goods/consignments = 180, C2c: How helpful were the advance rulings in increasing the speed of the customs process? [SA]

Advance rulings were beneficial in protecting Singapore businesses in dispute cases, but obtaining such rulings was a cumbersome and resource-intensive process, often requiring assistance from an in-market team

### Advance rulings aided in dispute resolution

- ✓ **Evidence in case of dispute**
  - Advance rulings facilitated **dispute resolution when contested by in-market authorities**, offering solid evidence to defend their product

### Potential for delays and a long process overall to obtain advanced ruling

- ! **Extensive documentation required**
  - Advance rulings **necessitated the submission of multiple documents** for approval, leading to delays when some respondents failed to provide the required paperwork
  - Furthermore, **not all markets provided clear information on the procedure** for applying / using advanced rulings
- ! **Additional delays due to added scrutiny by authorities**
  - **Lengthy approval process** by in-market authorities also delayed the approval of the advanced ruling
- ! **Resource intensive process**
  - Some respondents found the application **process long and resource intensive** and **often required the support of a local team**, which may not be accessible to all

### Support from in-market teams was key for utilising advance rulings

- **Sought help from local teams** based in importing markets with laying the groundwork such as liaising with customs, providing relevant documentation, etc.
  - Solicited assistance from in-house teams based in those markets also helps maintain confidentiality of sensitive information, like the composition of a product
- **Local teams provided a cost-effective way to get in-market support** as engaging third-parties like freight forwarders, agents, etc. would be a costly alternative

## In the words of respondents...

## Advance rulings aided in dispute resolution

“

*In the event that they (declarations) are challenged by customs, the **advance ruling can help to challenge customs back.***

”

FTA User in Manufacturing (Trade in Goods)

## Potential for delays and a long process overall to obtain advanced ruling

“

***Nobody likes to apply because it takes a long time and you need the local team to also support you, especially if you are not based in those countries.***

”

FTA User in Manufacturing (Trade in Goods)

## Support from in-market teams was key for utilising advance rulings

“

*The **local team needs to talk to the local customs, need to apply for the rulings with the local (customs) authorities.***

”

FTA User in Manufacturing (Trade in Goods)

“

***Sometimes we will look for a ruling of a similar product that's submitted by other companies...or if I can find a ruling in another country then that would be useful.** So let's say if I manage to find a ruling in the US... so you use the US ruling and you show to another customs authority to say that somebody has already applied in another country previously, so they already claim that this is the right HS code and the HS code is harmonised at the first six digits level... **we can prove to this customs that the other ruling is valid then it saves us all the effort and time.***

”

FTA User in Manufacturing (Trade in Goods)

“

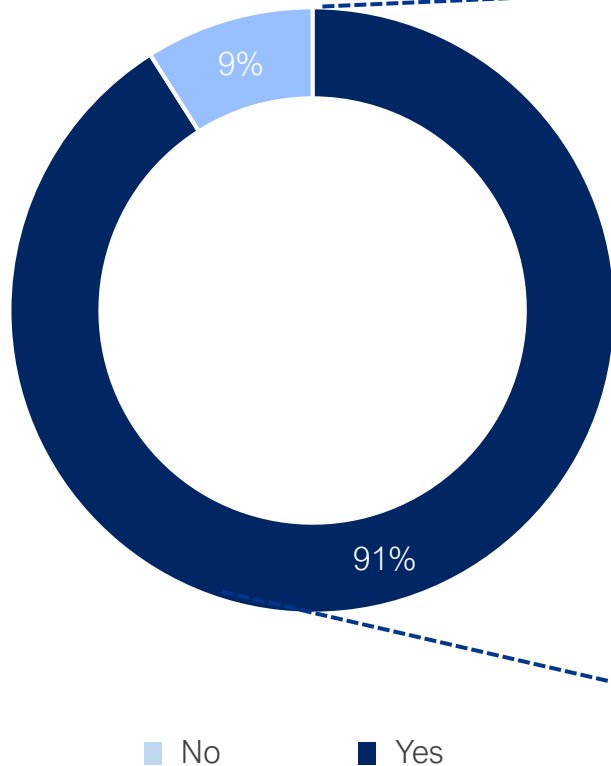
***Firstly, we need to submit all the documents. Sometimes when we thought we have submitted all the documents, then they want to see more documents. Then it causes another month of delay, to get the documents again. Then after two months of submitting all the documents...then maybe another month to deliberate with themselves...then after that another month to come back to us...so on average I would say, if you're lucky, one to two months...if you're not lucky then three to four months or even longer...or never.***

”

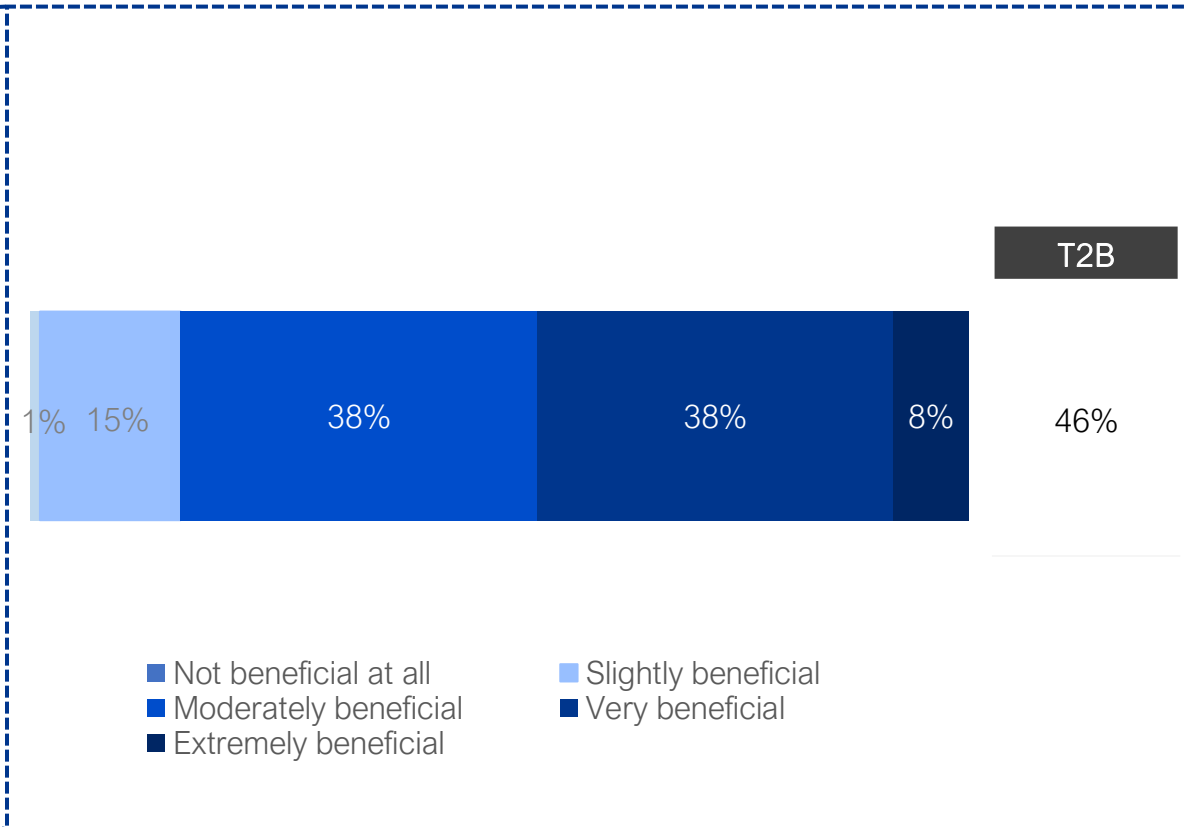
FTA User in Manufacturing (Trade in Goods)

91% of respondents found that the e-commerce chapter had some benefit, with most respondents indicating that the e-commerce chapter was moderately or very beneficial in facilitating cross-border digital services

### Found E-Commerce Chapter Beneficial<sup>1</sup>



### Usefulness of E-Commerce Chapter<sup>2</sup>



#### Questions:

(1) Base (n): Respondents who are aware of e-commerce chapters = 484, I2a: Have you found e-commerce chapter in the FTA, such as CPTPP in facilitating conducting cross border digital services beneficial? [SA]

(2) Base (n): Respondents who are aware of e-commerce chapters and found them beneficial = 441, I2b: In your opinion, how beneficial is the e-commerce chapter in the FTA, such as CPTPP to your business? [SA]

Across all segments, majority of respondents found the e-commerce chapter beneficial, with the WRT industry deriving the greatest benefit from it

Found E-Commerce Chapter Beneficial<sup>1</sup>

	NET	Type of Trade		Top Industries					
		TIG	TS&I	Manufacturing	WRT	MFA	Construction	T&S	FIA <sup>a</sup>
Base (n)	484	264	287	161	66	58	33	54	22
Yes (found the e-commerce chapter beneficial)	91%	89%	92%	93%	97%	90%	82%	85%	95%
No (did not find e-commerce chapter beneficial)	9%	11%	8%	7%	3%	10%	18%	15%	5%

Questions:  
(1) Base (n): Respondents who are aware of e-commerce chapters = 484, I2a: Have you found e-commerce chapter in the FTA, such as CPTPP in facilitating conducting cross border digital services beneficial? [SA]

Across all segments, respondents recognised the benefits of the e-commerce chapter, with the highest levels of benefits reported by TS&I respondents, as well as those in the WRT and FIA industries

### Usefulness of E-Commerce Chapter<sup>1,a</sup>

	NET	Type of Trade		Top Industries					
		TIG	TS&I	Manufacturing	WRT	MFA	Construction <sup>b</sup>	T&S	FIA <sup>b</sup>
Base (n)	441	236	264	150	64	52	27	46	21
Not beneficial at all	1%	1%	0%	1%	2%	0%	0%	0%	0%
Slightly beneficial	15%	18%	13%	19%	6%	13%	15%	15%	0%
Moderately beneficial	38%	39%	38%	35%	28%	42%	48%	52%	33%
Very beneficial	38%	36%	40%	37%	48%	40%	37%	26%	52%
Extremely beneficial	8%	7%	9%	7%	16%	4%	0%	7%	14%
T2B	46%	43%	49%	44%	64%	44%	37%	33%	66%

Questions:

(1) Base (n): Respondents who are aware of e-commerce chapters and found them beneficial = 441, l2b: In your opinion, how beneficial is the e-commerce chapter in the FTA, such as CPTPP to your business? [SA]

Note: (a) Numbers do not add up to 100% due to rounding; (b) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally

Source: FTA Survey

# LEVERAGE: FTA CHALLENGES

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- Challenges in Obtaining Tariff Concession in Importing Market for FTAs
- Challenges with HS Codes
- Challenges in Preparing or Issuing Self-Certification
- Challenges Faced in Harnessing Government Procurement Chapters
- Issues to Follow Up On
- Inclusion of Provisions for E-commerce and Digitalisation
- Other Barriers for Leveraging FTAs

## Chapter Focus...



## Questions from Survey

### TRADE IN GOODS & RULES OF ORIGIN

#### Section B.

B1: Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorised Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs?

B2a: Which of the following markets did you face challenges in obtaining tariff concessions?

B2b: If you have selected the ASEAN region, which of the following markets did you face challenges in obtaining tariff concessions?

B2c: If you have selected the South Asia region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.

B2d: If you have selected the East Asia region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.

B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs?

B3b: Which FTAs are you facing the challenges mentioned on Self-Certification?

#### Section D.

### TECHNICAL BARRIERS TO TRADE

D5: Do you have any challenges in the following areas that you would like EnterpriseSG to follow up with you on? Please select all that apply.

#### Section H.

### TRADE IN SERVICES

H2: Have you faced any challenges during the process of the bidding for a public tender in overseas markets?

#### Section I.

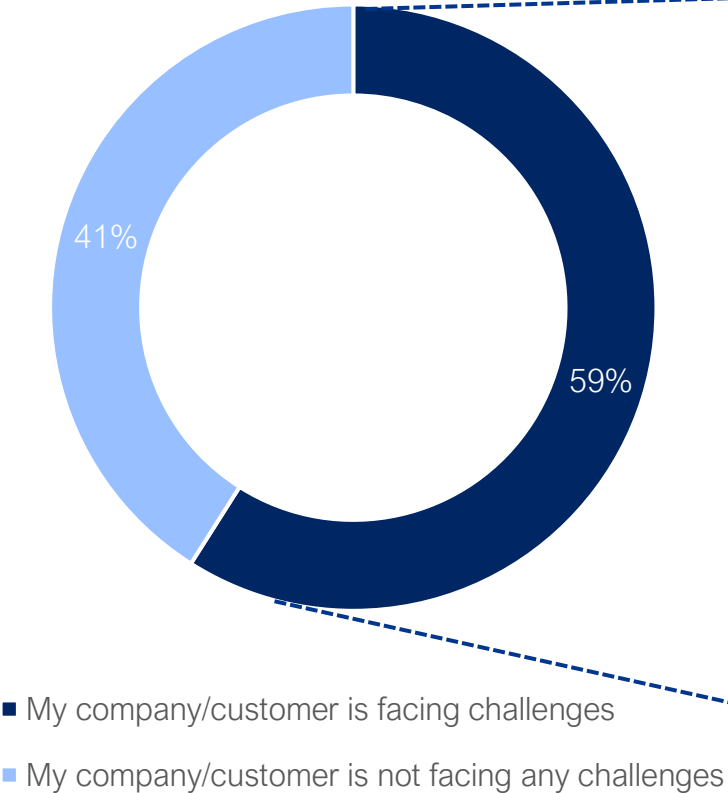
### E-COMMERCE

I2c: Would you like to see FTAs include provisions that serve the purpose of promoting e-commerce and digitalization initiatives?

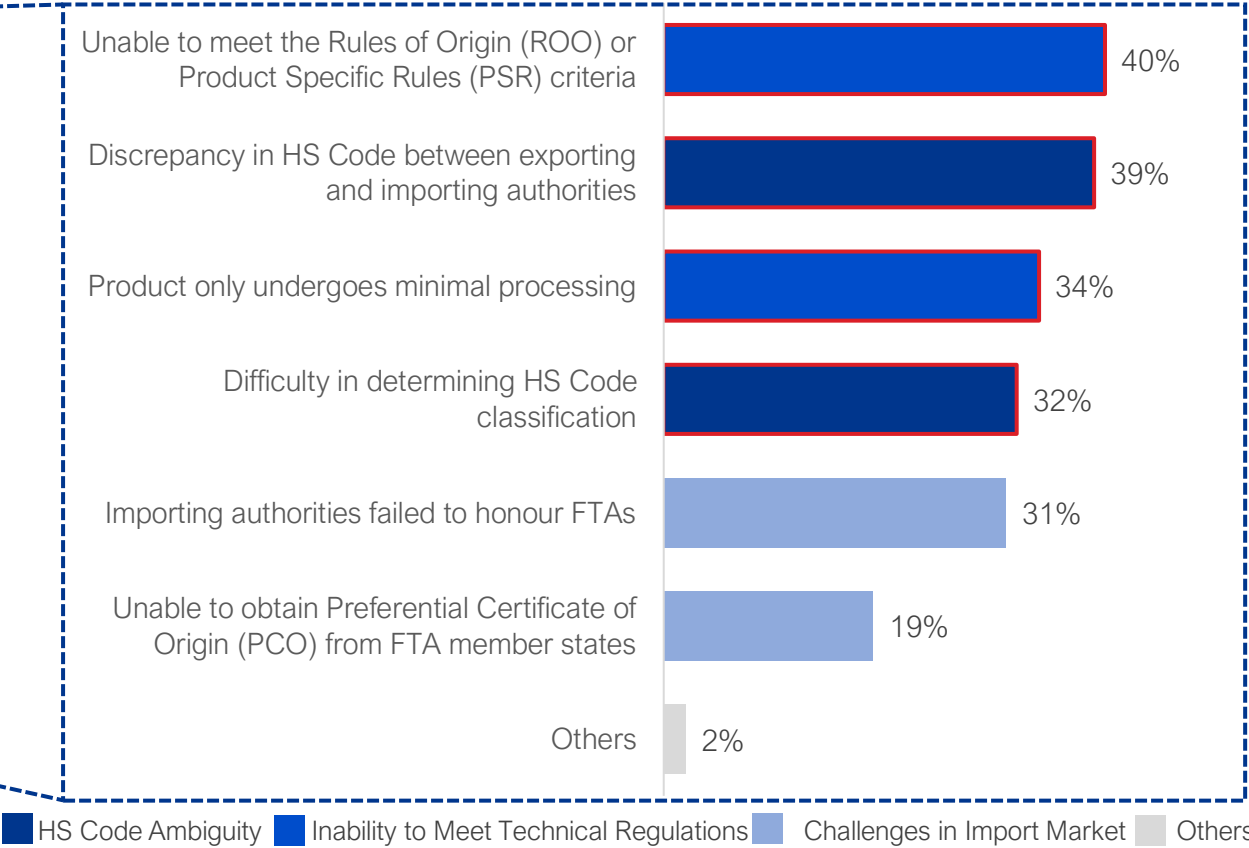
I2d: What other e-commerce related issues would you like to be covered? Please select all that apply.

59% of respondents faced challenges in obtaining tariff concessions in importing markets, citing HS code ambiguity and inability to meet technical regulations as top challenges

Face Challenges in Obtaining Tariff Concession in Importing Market<sup>1</sup>



Challenges in Obtaining Tariff Concession in Importing Market<sup>2</sup>



Questions:  
(1) Base (n), Respondents who TIG, use FTAs, and are aware of goods chapters and ROO = 350, B1: Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorised Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs? [MA]  
(2) Base (n), Respondents who TIG, use FTAs, and are aware of goods chapters and ROO and are facing challenges = 208, B1: Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorised Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs? [MA]

More respondents in the MFA industry encountered challenges in obtaining tariff concessions in the importing market as compared to those in the Manufacturing and WRT industries

Face Challenges in Obtaining Tariff Concession in Importing Market<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>b</sup>
Base (n)	350	189	53	66	7
My company/ customer is facing challenges	59%	59%	47%	67%	-
My company/ customer is not facing any challenges	41%	41%	53%	33%	-

Questions:  
(1) Base (n), Respondents who TIG, using FTAs, and are aware of goods chapters and ROO = 350, B1: Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorised Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs? [MA]

Manufacturing industry respondents encountered the most challenges with meeting ROO or PSR criteria, while those in the WRT and MFA industries faced most challenges with HS code discrepancies

### Challenges in Obtaining Tariff Concession in Importing Market – By Segments<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT <sup>a</sup>	MFA	Construction <sup>b</sup>
<i>Base (n)</i>	208	112	25	44	5
Unable to meet the Rules of Origin (ROO) or Product Specific Rules (PSR) criteria	40%	#1 46%	20%	#3 41%	-
Discrepancy in HS Code between exporting and importing authorities	39%	33%	#1 40%	#1 55%	-
Product only undergoes minimal processing	34%	#2 38%	#2 36%	25%	-
Difficulty in determining HS Code classification	32%	26%	#1 40%	#2 43%	-
Importing authorities failed to honour FTAs	31%	#3 34%	24%	27%	-
Unable to obtain Preferential Certificate of Origin (PCO) from FTA member states	19%	17%	24%	18%	-

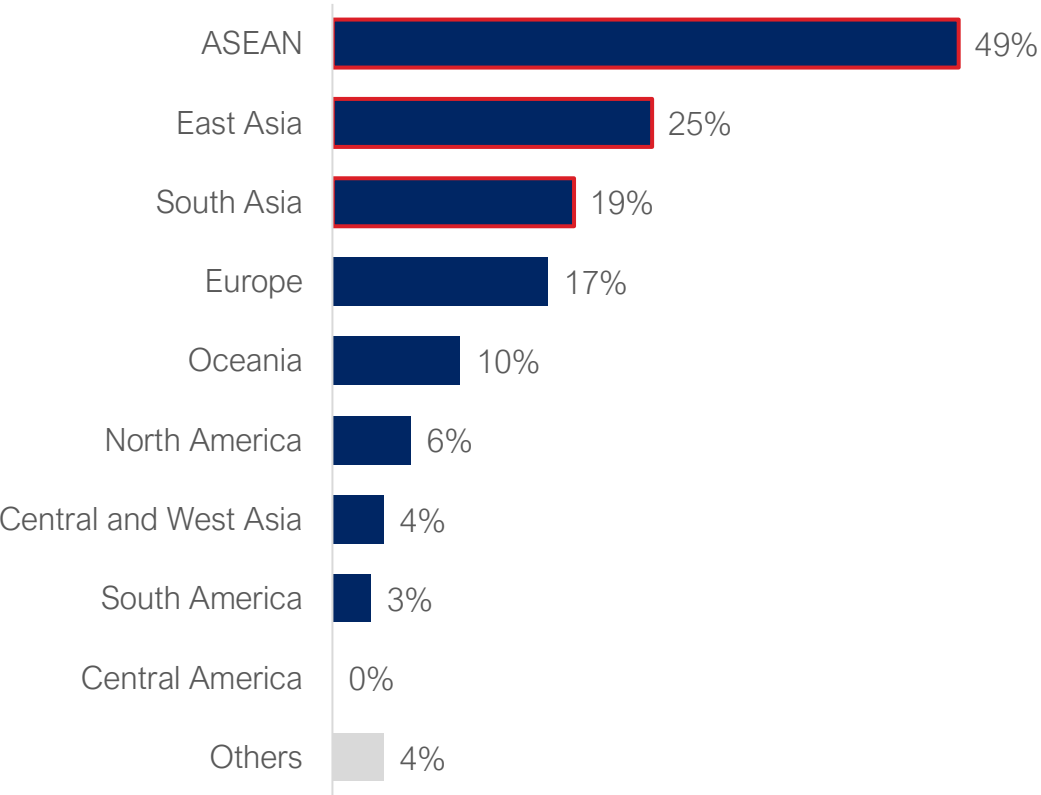
#### Questions:

(1) Base (n), Respondents who TIG, using FTAs, and are aware of goods chapters and ROO and are facing challenges = 208, B1: Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorised Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs? [MA]

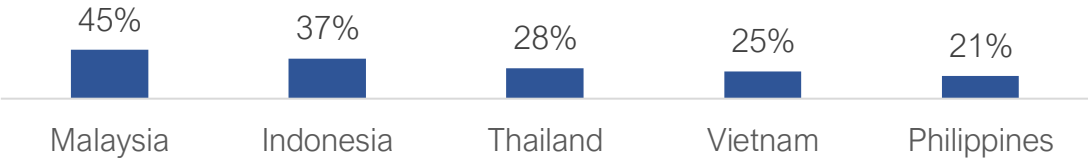
Note: (a) The sample size  $n < 30$  is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally; (b) The sample size  $n < 10$  is very small, hence is too small to interpret accurately  
Source: FTA Survey

Respondents faced significantly more difficulties obtaining tariff concessions in ASEAN, East Asia, and South Asia, with Malaysia, China, and India presenting the most challenges in their respective regions

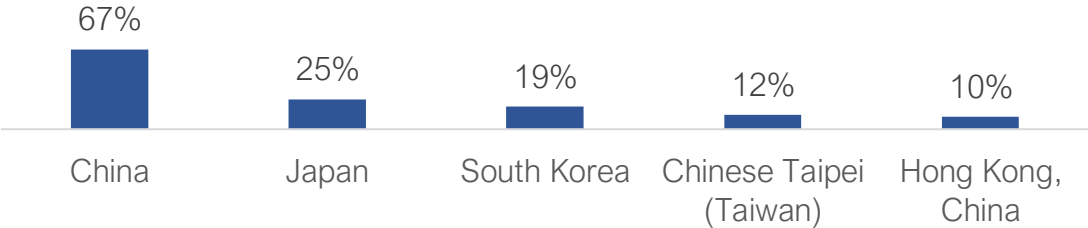
Challenging Regions for Obtaining Tariff Concessions<sup>1</sup>



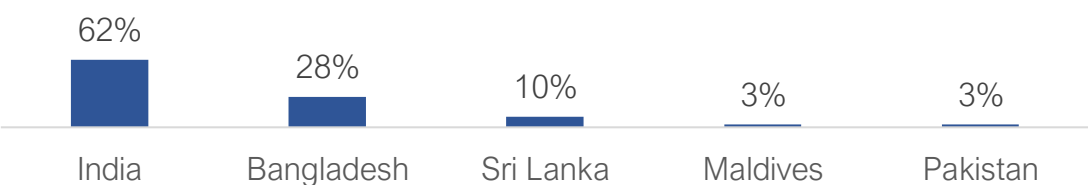
ASEAN: Top 5 Markets<sup>2</sup>



East Asia: Top 5 Markets<sup>3</sup>



South Asia: Markets<sup>4</sup>



Questions:  
(1) Base (n), Respondents facing challenges in obtaining tariff concessions = 208, B2a: Which of the following markets did you face challenges in obtaining tariff concessions? [MA]  
(2) Base (n), Respondents facing challenges in obtaining tariff concessions in ASEAN = 102, B2b: If you have selected the ASEAN region, which of the following markets did you face challenges in obtaining tariff concessions? [MA]  
(3) Base (n), Respondents facing challenges in obtaining tariff concessions in East Asia = 52, B2d: If you have selected the East Asia region, which of the following markets did you face challenges in obtaining tariff concessions? [MA]  
(4) Base (n), Respondents facing challenges in obtaining tariff concessions in South Asia = 39, B2c: If you have selected the South Asia region, which of the following markets did you face challenges in obtaining tariff concessions? [MA]

Respondents faced challenges due to discrepancies in HS codes and difficulty in determining the HS code classification, resulting in delayed clearance of goods and higher tariffs incurred

### Challenges faced with HS codes

#### ! Discrepancy in HS codes between exporting and importing authorities

- Respondents faced issues with discrepancies with HS codes where **importing authorities did not recognise the HS code** used in Singapore **resulting in confusion and delays in obtaining approval for imports**
- Discrepancies in HS codes were also exacerbated by in-market regulators **not having an appropriate product category defined**
  - o E.g., in India and Pakistan, there is no specific HS code for soy milk, hence, soy milk is classified under cow's milk
- Discrepancies in HS codes were a **challenge especially for companies that constantly innovating new products** which may incur **higher tariffs**

#### ! Difficulty in determining HS code classification

- Unstandardised HS codes across countries made it very **difficult for companies supplying products to multiple markets**, as each **market would have a different HS code** and may classify the same product differently
- Negative consequences of applying incorrect HS codes included having **to pay more tariffs than required**

“

We have been shipping into Thailand, then all of a sudden, they said no...**then we realised that they changed our HS code.** My product looks like gauze, but this is not gauze or cotton. It is a polymer...there's a scalpel shape...but to the untrained eye it is gauze... **So they changed the code and said there's a tax.** ”

FTA User from Manufacturing (Trade in Goods)

“

When you come up with **new products it might not be recognised**, so you have to put it under **“others” where the tariff is super high** ”

FTA User from MFA (Trade in Goods - SPS)

“

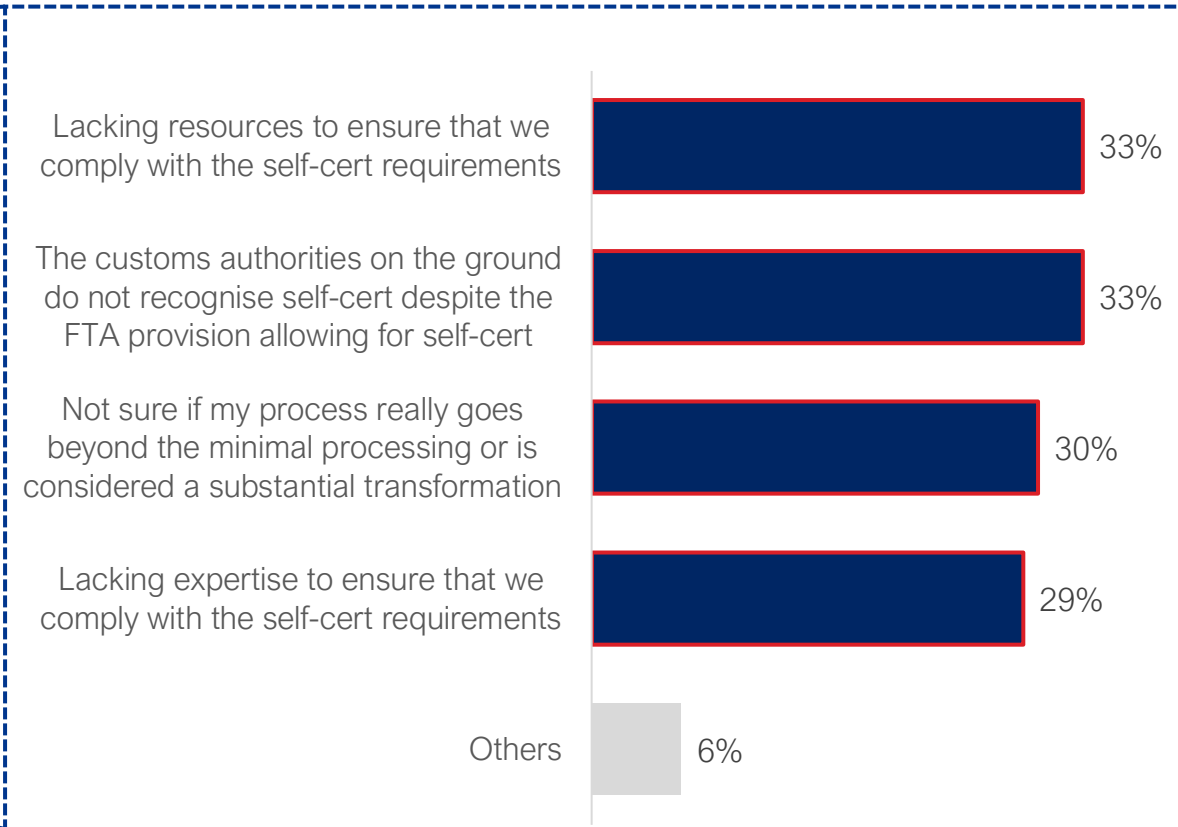
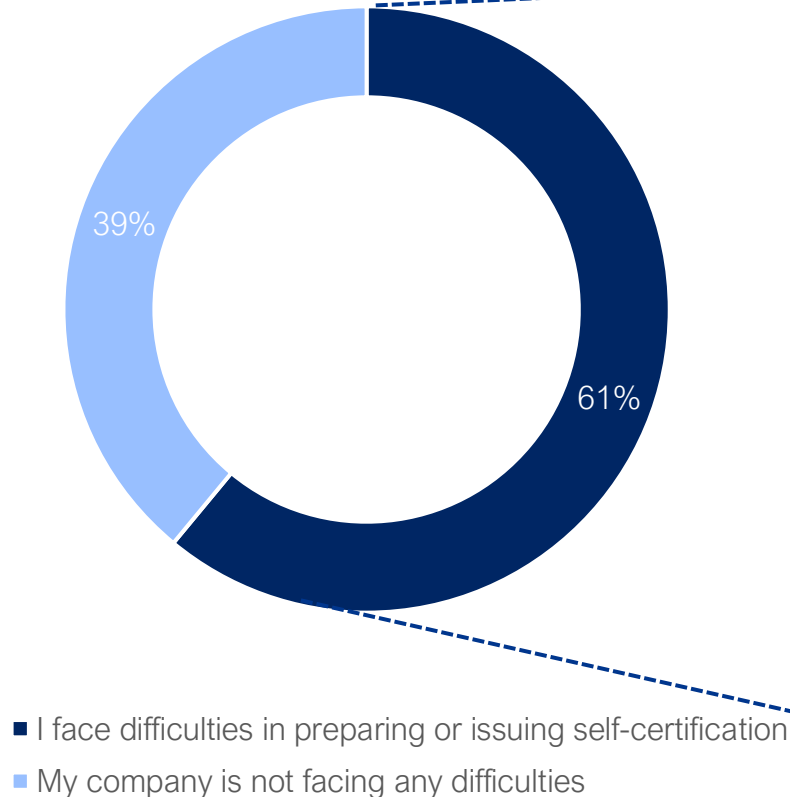
For example, in Malaysia, **they give multiple subcategories that a valve could fall under... but we have no clue which one to choose.** If we are in a rush, we just take a shot and ask if the HS code can be cleared or not... and if you chose the wrong one, you are liable to pay 10-20% tax ”

FTA User from Manufacturing (Trade in Goods)

61% of respondents faced challenges in preparing or issuing self-certification when using FTAs, citing issues such as lack of resources and expertise, difficulties with customs authorities and uncertainty about process requirements

## Face Challenges in Preparing or Issuing Self-Certification<sup>1</sup>

## Challenges in Preparing or Issuing Self-Certification<sup>2</sup>



### Questions:

(1) Base (n), Respondents who TIG, using FTAs, and are aware of ROO chapters = 350, B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs? [MA]

(2) Base (n), Respondents who TIG, using FTAs, are aware of ROO chapters, and faced challenges in preparing or issuing a Self-Certification = 215, B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs? [MA]

Source: FTA Survey

Legend:   Significantly higher than overall (at 95% confidence interval)

# More respondents in the MFA industry faced challenges in preparing or issuing self-certification as compared to those in the WRT and Manufacturing industries

## Face Challenges in Preparing or Issuing Self-Certification<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>a</sup>
Base (n)	350	189	53	66	7
My company is facing difficulties	61%	56%	60%	73%	-
My company is not facing any difficulties	39%	44%	40%	27%	-

Questions:  
(1) Base (n), Respondents who TIG, using FTAs, and are aware of ROO chapters = 350, B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs? [MA]

Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately  
Source: FTA Survey

Manufacturing and WRT industry respondents faced the greatest challenge with uncertainties in meeting process criteria, while those in the MFA industry faced issues with importing authorities not recognising self-certification

### Challenges in Preparing or Issuing Self-Certification – By Segments<sup>1</sup>

	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>a</sup>
<i>Base (n)</i>	215	106	32	48	4
Lacking resources to ensure that we comply with the self-cert requirements	33%	#2 31%	#2 31%	#2 33%	-
The customs authorities on the ground do not recognise self-cert despite the FTA provision allowing for self-cert	33%	#3 30%	19%	#1 52%	-
Not sure if my process really goes beyond the minimal processing or is considered a substantial transformation	30%	#1 33%	#1 38%	21%	-
Lacking expertise to ensure that we comply with the self-cert requirements	29%	23%	#2 31%	#3 31%	-
Others	6%	6%	6%	6%	-

Questions:

(1) Base (n), Respondents who TIG, using FTAs, are aware of ROO chapters, and faced challenges in preparing or issuing a Self-Certification = 215, B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs? [MA]

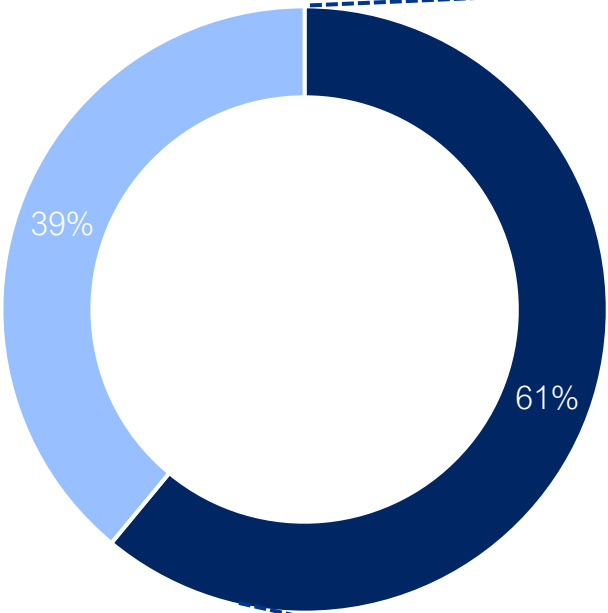
Note: (a) The sample size n<10 is very small, hence is too small to interpret accurately

Source: FTA Survey

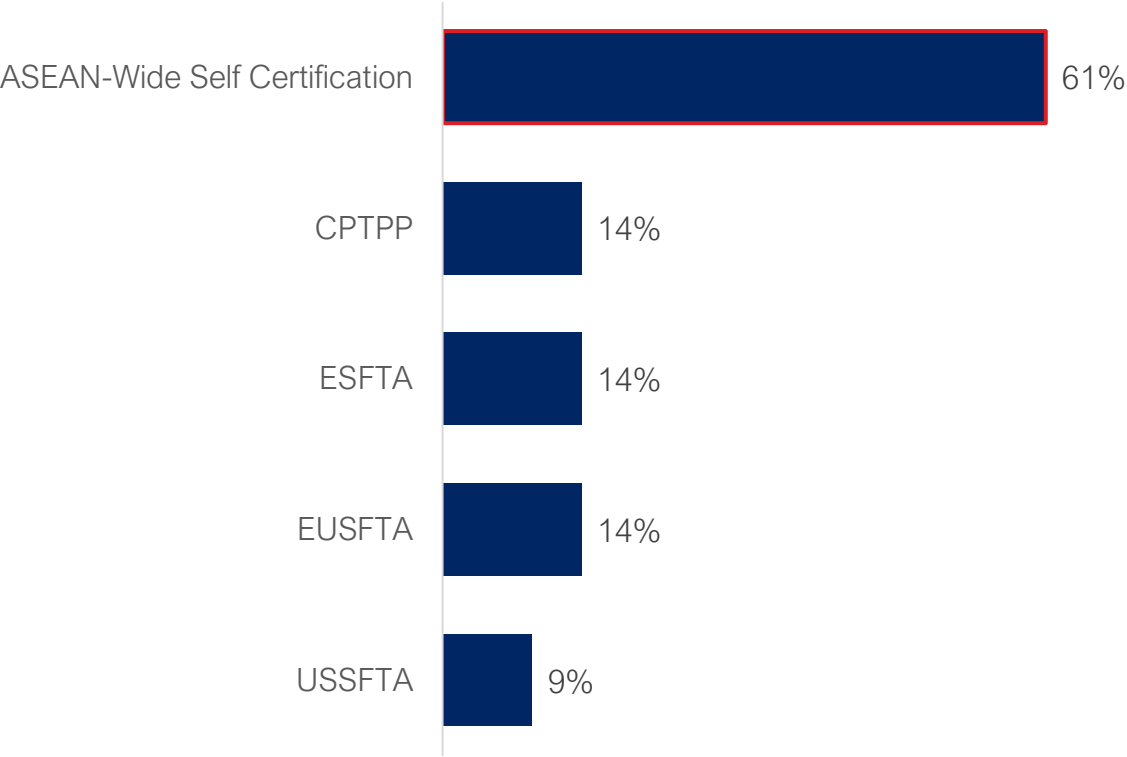
61% of respondents faced challenges when preparing or issuing self-certification while using FTAs, with a majority citing difficulties with the ASEAN-Wide Self Certification

Face Challenges in Preparing or Issuing Self-Certification<sup>1</sup>

Top 5 FTAs with Difficulties



- My company faces difficulties in preparing or issuing self-certification
- My company is not facing any difficulties in preparing or issuing self-certification



Questions:  
(1) Base (n), Respondents who TIG, using FTAs, and are aware of ROO chapters = 350, B3a: What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs? [MA]  
(2) Base (n), Respondents who TIG, using FTAs, are aware of ROO chapters, and faced challenges in preparing or issuing a Self-Certification = 215, B3b: Which FTAs are you facing the challenges mentioned on Self-Certification? [MA]

In the top TIG industries, most respondents encountered difficulties with the ASEAN-Wide Self Certification, while other FTAs that posed challenges varied across industries

Top 3 FTAs with Difficulties – By Segments<sup>1</sup>

Base (n)	NET	Top Industries (TIG only)			
		Manufacturing	WRT	MFA	Construction <sup>a</sup>
	215	106	32	45	4
#1 (Faced most difficulty with)	ASEAN-Wide Self Certification (61%)	ASEAN-Wide Self Certification (62%)	ASEAN-Wide Self Certification (66%)	ASEAN-Wide Self Certification (50%)	-
#2	CPTPP (14%)	EUSFTA (14%)	CPTPP (16%)	ESFTA (31%)	-
#3	ESFTA (14%)	USSFTA (13%)	ASTEP (13%)	EUSFTA (27%)	-

Questions:  
(1) Base (n), Respondents who TIG, using FTAs, are aware of ROO chapters, and faced challenges in preparing or issuing a Self-Certification = 215, B3b: Which FTAs are you facing the challenges mentioned on Self-Certification? [MA]

While some respondents found self-certification easy to apply, others, particularly those dealing with more intricate products, found that the largest barriers posed where the technical and human barriers

### While some respondents found self-certification user-friendly...

- ✓ **Straightforward process**
  - Only required to **apply once to enjoy the benefits** for the same product
- ✓ **Ease of declaration**
  - **Retrospective applications** for FTAs may be used for any documentation missed out in earlier processes
- ✓ **Convenient procedure**
  - **Digitalization** of the processes and documents have **increased convenience**

### Others found its benefits limited by technical and human barriers...

- ! **Lacked resources to ensure compliance with self-certification requirements**
  - **Little room for deviation from technical requirements**, such as technical wording, which led to issues with customs clearance
  - Often **required professionals** to consolidate the different methods for **calculating tariffs which were costly**
- ! **Customs authorities on the ground did not recognise self-certification**
  - **Approval from authorities not guaranteed as dependent on individual customs officer** as they may not “trust” or abide by the stated rules of the self-certification and may require the product to be tested again despite the self-certification agreement
  - Issues were more **prominent in ASEAN and India**

### Relied on experts to ensure products clear customs

- **Relied on consultants** to interpret technical requirements, however, these services usually incur significant cost
- **Relied on freight forwarders** to assist with product clearing customs – not all are aware of the methods freight forwarders employ
- **Relied on customs officers** to provide correct methods of calculation for tariffs

## In the words of respondents...

## While some respondents found self-certification user-friendly...

“ The Turkey-Singapore FTA, the European-Singapore FTA, all these are based on self-certification. So, once **you have the right declaration on the invoice, basically you just get through...and even when you miss out**, I mean for the first shipment if you miss out, and subsequently you realise you have a shipment that you missed out, **you can have a retrospective FTA and then make the declaration at a later date, and they still recognise it.** ”

FTA User in Manufacturing (Trade in Goods)

## Others found its benefits limited by technical and human barriers...

“ Sometimes their way of **calculating tariffs is different from us**, whether you are using gross weight or net weight. These type of issues would come up. **Even those tariffs that state a certain percentage.** ”

FTA User from Manufacturing (Trade in Goods)

## Relied on experts to ensure products clear customs

“ Certain countries like Philippines and Hong Kong requires import licenses. It is **not straightforward and have to rely on third parties, service providers that can help with clearing customs.** ”

FTA Non-User from Telecommunications (Trade in Goods and Services)

“ Used to be manual, **now it is digital so I find it quite good.** There are seldom issues from Singapore. ”

FTA Non-User – WRT (Trade in Goods)

“ Look how it's done in **Europe and US**; They have the **common trust between country to country.** Whereas in **ASEAN**, I do find that no doubt they sign the FTA, but **these countries do not have a common trust.** So, they do **not abide by self-declaration, they still want your physical form.** ”

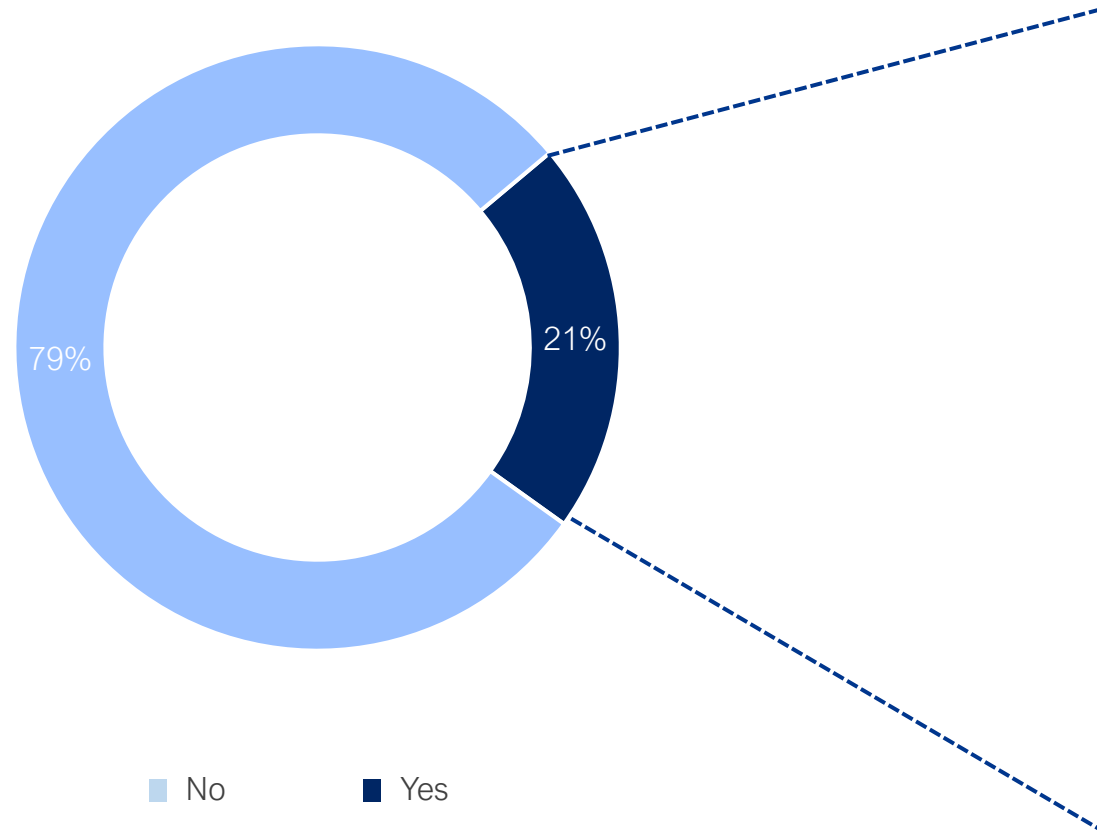
FTA User in Manufacturing (Trade in Goods)

“ **Difficult to get the stamp for India** due to bureaucracy and long waiting times. Have to **resort to under-table (methods) if urgent.** ”

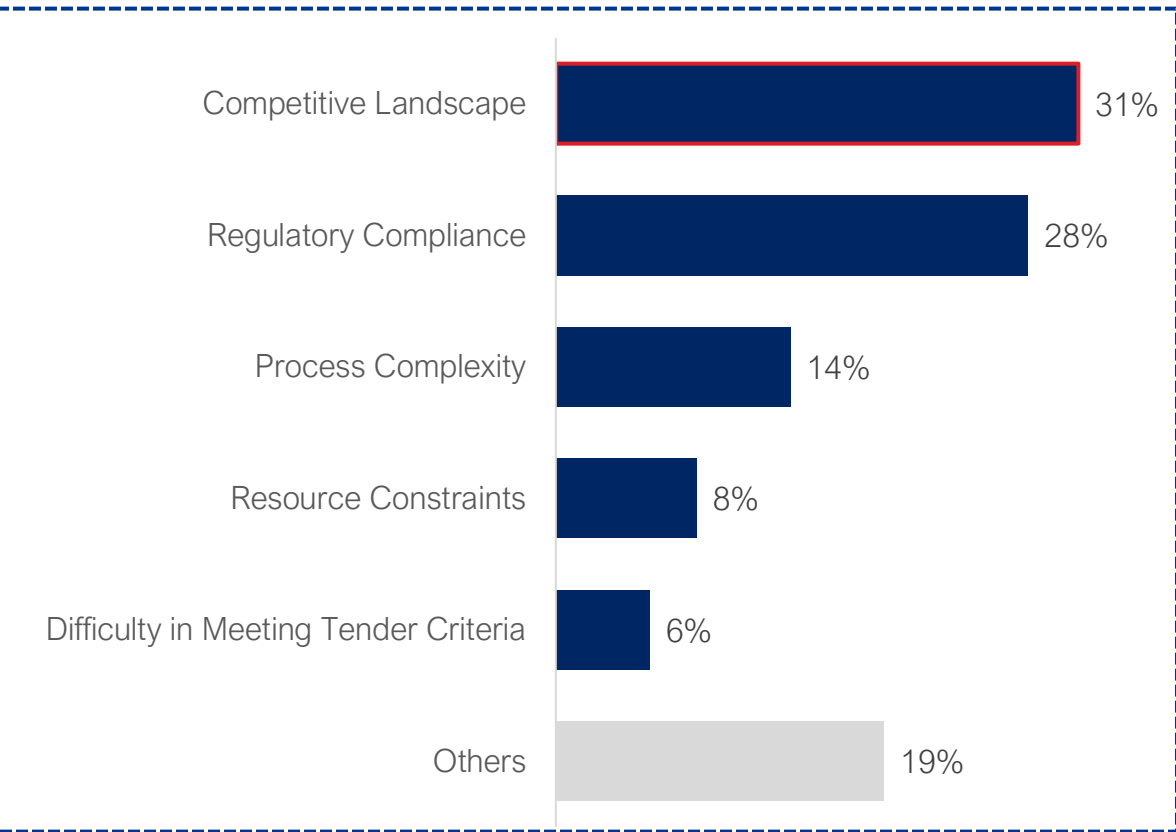
FTA Non-User from Telecommunications (Trade in Goods and Services)

# 21% of respondents faced challenges when bidding for tenders overseas, citing the competitive landscape and regulatory compliance overseas as top challenges

Faced Challenges Bidding for Tenders Overseas<sup>1</sup>



Challenges Faced Bidding for Tenders Overseas<sup>2</sup>



Questions:  
(1) Base (n): Respondents who are aware of government procurement chapters and have tried bidding for a public tender overseas = 170, H2: Have you faced any challenges during the process of the bidding for a public tender in overseas markets? [SA]  
(2) Base (n): Respondents who are aware of government procurement chapters, have tried bidding for a public tender overseas and faced challenges = 36, H2: Have you faced any challenges during the process of the bidding for a public tender in overseas markets? [SA]

A similar proportion of Users and Non-Users faced challenges when bidding for a public tender overseas, but more TS&I respondents encountered challenges as compared to TIG respondents

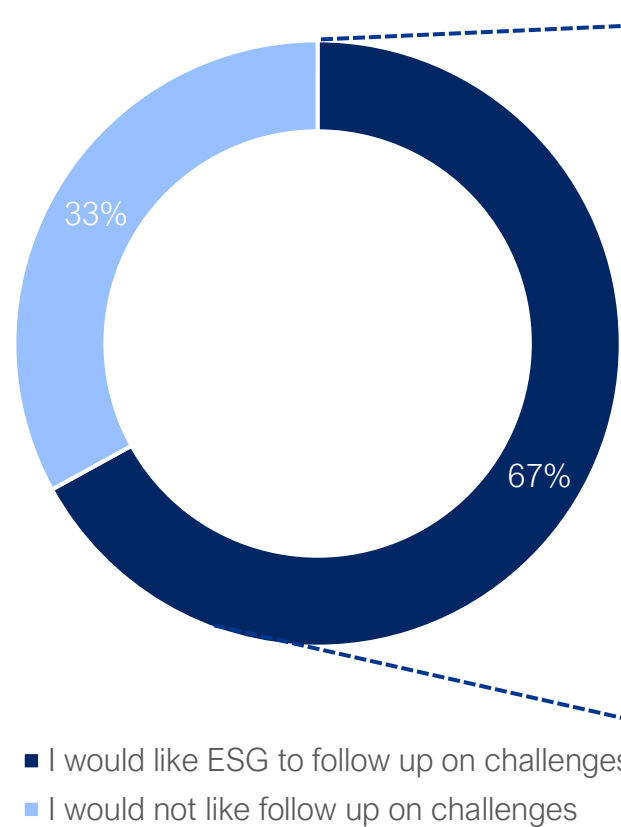
Faced Challenges Bidding for Tenders Overseas<sup>1</sup>

	NET	FTA Usage		Type of Trade	
		Users	Non-Users	TIG	TS&I
Base (n)	170	133	37	75	119
Yes (facing challenges bidding for a public tender overseas)	21%	21%	22%	5%	28%
No (not facing challenges bidding for a public tender overseas)	79%	79%	78%	95%	72%

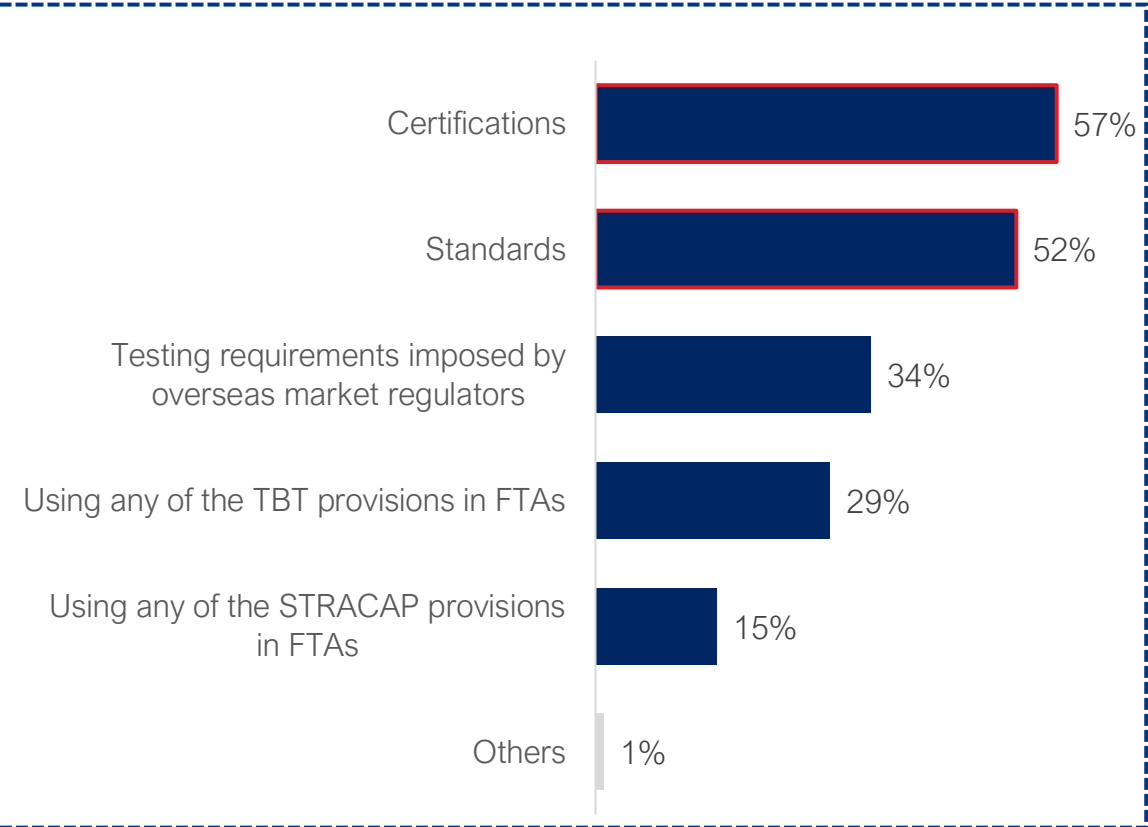
Questions:  
(1) Base (n): Respondents who are aware of government procurement chapters and have tried bidding for a public tender overseas = 170, H2: Have you faced any challenges during the process of the bidding for a public tender in overseas markets? [SA]

# 67% of respondents would like ESG to follow-up on challenges faced, especially with regards to certifications and standards

## Would like Follow up on Challenges<sup>1</sup>



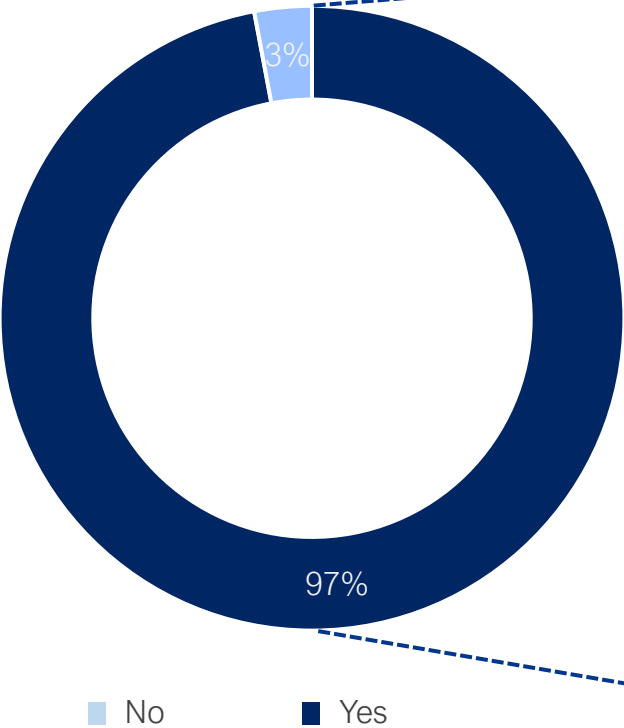
## Challenges for ESG to Follow-up On<sup>2</sup>



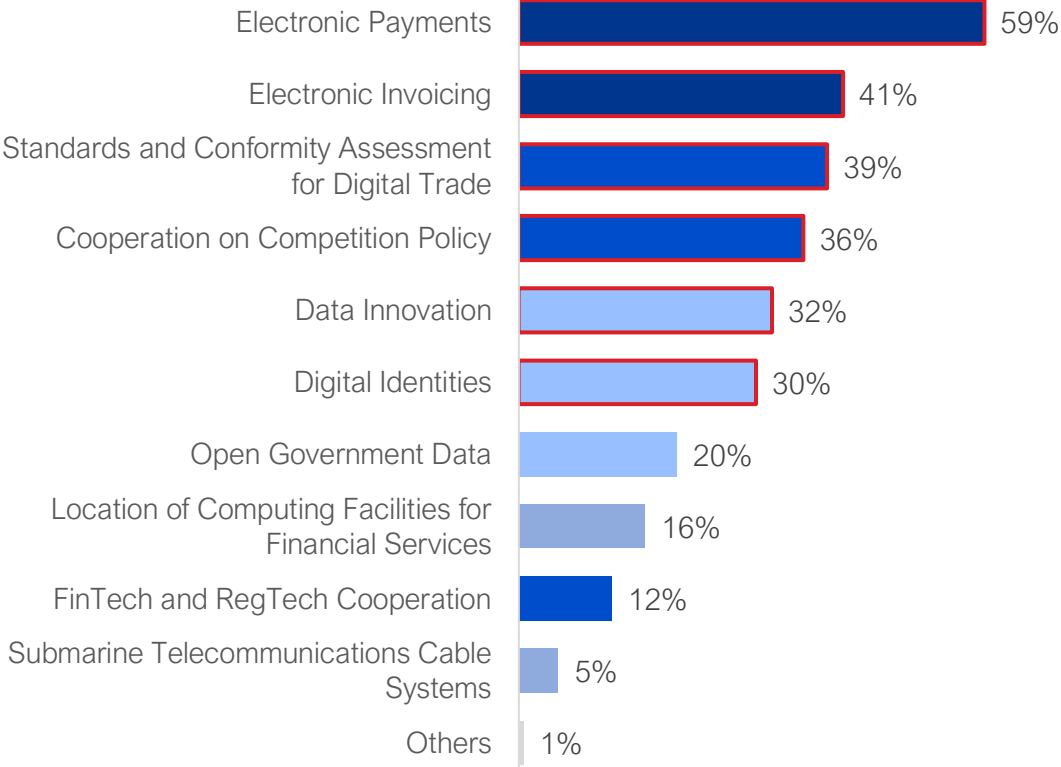
Questions:  
(1) Base (n): Respondents who TIG and are not using TBT/STRACAP provisions in FTAs = 128, D5: Do you have any challenges in the following areas that you would like ESG to follow up with you on? Please select all that apply. [MA]  
(2) Base (n): Respondents who TIG and would like ESG to follow up on challenges = 86, D5: Do you have any challenges in the following areas that you would like ESG to follow up with you on? Please select all that apply. [MA]

97% of respondents would like FTAs to include provisions that promote e-commerce and digitalization initiatives, with main concerns centred on issues relating to electronic transactions and cooperation and standardisation

Would Like FTAs to Include Provisions That Promote E-commerce and Digitalization Initiatives<sup>1</sup>



E-commerce Issues to be Covered<sup>2</sup>



Questions:  
(1) Base (n), Respondents engaged in E-Commerce who find CTCPP beneficial = 703, I2c: Would you like to see FTAs include provisions that serve the purpose of promoting e-commerce and digitalization initiatives? [SA]  
(2) Base (n), Respondents engaged in E-Commerce who find CTCPP beneficial and want to see provisions for promoting e-commerce = 683, I2d: What other e-commerce related issues would you like to be covered? [MA]

Source: FTA Survey  
Legend:  Significantly higher than overall (at 95% confidence interval)

Across all segments, almost all respondents would like FTAs to include provisions promoting e-commerce and digitalization initiatives, especially in the MFA and T&S industries

Would Like FTAs to Include Provisions That Promote E-commerce and Digitalization Initiatives<sup>1</sup>

	NET	FTA Usage		Type of Trade		Top Industries					
		Users	Non-Users	TIG	TS&I	Manufacturing	WRT	MFA	Construction	T&S	FIA
Base (n)	703	531	172	407	408	215	111	73	47	67	30
Yes (would like FTAs to include provisions that promote e-commerce and digitalization initiatives)	97%	98%	93%	96%	98%	98%	96%	99%	98%	100%	97%
No (would not like FTAs to include provisions that promote e-commerce and digitalization initiatives)	3%	2%	7%	4%	2%	2%	4%	1%	2%	0%	3%

Questions:  
(1) Base (n), Respondents engaged in E-Commerce who find CTCPP beneficial = 703, I2c: Would you like to see FTAs include provisions that serve the purpose of promoting e-commerce and digitalization initiatives? [SA]

Across all segments, addressing Electronic Payments issues was a top priority, while Electronic Invoicing was the next most requested by most segments

### Top 5 E-Commerce Issues to be Covered – By Segments

	NET	FTA Usage		Type of Trade		Top Industries					
		Users	Non-Users	TIG	TS&I	Manufacturing	WRT	MFA	Construction	T&S	FIA <sup>a</sup>
Base (n)	683	523	160	392	400	211	107	72	46	67	29
Electronic Payments	59%	#1 58%	#1 62%	#1 63%	#1 59%	#1 58%	#1 61%	#1 61%	#1 46%	#1 58%	#1 69%
Electronic Invoicing	41%	37%	#2 54%	#2 46%	40%	#2 40%	#2 48%	#2 47%	37%	#2 40%	#2 48%
Standards and Conformity Assessment for Digital Trade	39%	#2 41%	33%	39%	#2 42%	#2 40%	41%	#2 47%	#2 39%	34%	24%
Cooperation on Competition Policy	36%	36%	36%	34%	37%	34%	36%	43%	#2 39%	30%	28%
Data Innovation	32%	33%	31%	27%	36%	29%	34%	35%	11%	22%	41%

Questions:

Base (n) Respondents engaged in E-Commerce who find CTCPP beneficial and want to see provisions for promoting e-commerce = 683, I2d: What other e-commerce related issues would you like to be covered? [MA]

Note: (a) The sample size n<30 is small and may not be indicative of the segments, any analysis of the segments have to be taken directionally

Source: FTA Survey

While respondents claimed to have good knowledge of specific provisions, in reality, most respondents only possessed surface-level understanding, limiting potential benefits that could be leveraged from FTAs

**Although FTAs users generally believed they had a good grasp of FTAs, many lacked deep understanding, especially in technical provisions like STRACAP and e-commerce**

! **'Need-to-know' understanding**

- While respondents were aware of certain chapters' existence and perceived they had good knowledge of them, very **few were able to elaborate on these chapters in-depth**
- Understanding of these chapters was mostly at a **'need-to-know' level**

! **Discouraged to find out more due to technical language**

- The use of highly technical language led respondents to **skip sections of the FTAs deemed overly complex**, which resulted in them **relying on their existing knowledge to meet their objectives**
- However, this may have resulted in some **FTA provisions being underutilised** – i.e., they were not utilised to their fullest benefits

! **Reliance on experts**

- Respondents also **heavily depended on experts** such as in-house teams, freight forwarders or consultants **to understand the more complex chapters / provisions**
- Therefore, while they may be aware that they are using these provisions, they may **not have full understanding of how these provisions benefit their business**
- Some respondents also cited that these chapters / provisions were not within their scope of work to know about, and may be **more applicable to the tax or legal teams within companies**

“

*Just heard of it (STRACAP chapters)... **it is quite technical, and I had too many questions to answer, which was confusing... I (just) need it to related to what I need**, and it has to be more layman*

”

*FTA Non-user from Manufacturing (Trade in Goods)*

“

*I only get the basic information from Google... The details I **confirm with my freight forwarder to get a firm answer.***

”

*FTA Non-user from WRT (Trade in Goods - SPS)*

“

*My area of focus is customs procedures... At the end of the day, I have **limited knowledge** of these benefits like for **IP or e-commerce chapters** that maybe our tax fees or legal fees could hitch on to enjoy the benefits of these chapters... **more applicable tax or legal teams (to know about)***

”

*FTA Non-user from WRT (Trade in Goods - SPS)*

# RECOMMENDATIONS

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- Recommendations
- Areas for Future Research

Simplifying technical language and providing customised industry and / or market content with visuals and AI tools can enhance understanding for all businesses in Singapore regardless of their current FTA utilisation levels

## FREE TRADE AGREEMENT (FTA) JOURNEY

### 1. UNDERSTAND

	Knowledge of basic FTAs and chapters / provisions	Actively searched for FTA information	How to Provide Further Support	Action Plan
FULLY UTILISING FTAS	Moderate basic knowledge, but low in-depth knowledge	Moderate to high	<p><b>Content</b></p> <ul style="list-style-type: none"> <li><b>Simplify language</b> of across all FTA-related content, especially for technical chapters and provisions</li> <li><b>Curate industry and market specific content</b> that clearly outlines nuances of relevant <b>benefits</b> of using FTAs</li> </ul> <p><b>Tools</b></p> <ul style="list-style-type: none"> <li><b>Use images, charts, and infographics</b> to convey key features of FTAS for easy understanding</li> <li><b>Implement automated tools to assist businesses</b> with finding and understanding FTAs and technical key words</li> </ul>	<p><b>Create industry / market specific information catered to levels of understanding about FTAs</b></p> <p>➤ <b>Basic information for Non-Users</b></p> <ul style="list-style-type: none"> <li>Provide basic information about <b>available FTAs</b> and which <b>industries / markets can benefit from the FTAs</b></li> <li>Consider creating <b>industry-specific information</b> for <b>services and investments industry</b> to <b>minimise misinformation</b> that FTAs are not applicable to them</li> <li><b>AI chatbots</b> may be used to provide <b>answers to commonly asked questions</b></li> </ul> <p>➤ <b>In-depth chapter / provision specific information for Users</b></p> <ul style="list-style-type: none"> <li>Highlight <b>chapter / provision specific information and benefits</b> (e.g. TBT /STRACAP chapters / e-commerce provisions)</li> <li><b>Industry-specific content</b> may <b>penetrate a relevant audiences more effectively</b>; for instance, e-payment details would resonate more with those from the finance departments</li> </ul>
SOMEWHAT UTILISING FTAS	Moderate basic knowledge, but low in-depth knowledge	Moderate to high		
NOT UTILISING FTAS	Low basic and in-depth knowledge	Low		

Highlighting FTA benefits and creating user-friendly search tools can empower businesses facing challenges abroad, particularly in the services and investments sectors

## FREE TRADE AGREEMENT (FTA) JOURNEY

### 2. ASSESS

	Challenges faced trading overseas	Assessed that FTAs could meet needs	How to Provide Further Support	Action Plan
FULLY UTILISING FTAS	High	FTAs met needs	<p><b>Content</b></p> <ul style="list-style-type: none"> <li>Highlight how FTAs can target the key industry or market challenges faced when trading, providing services or investing overseas</li> <li>Underscore the key benefits of specific chapters / provisions, specifically in the following areas: <ul style="list-style-type: none"> <li>Certifications and standards</li> <li>STRACAP chapters</li> <li>Advance rulings</li> <li>E-commerce chapters</li> </ul> </li> </ul> <p><b>Tools</b></p> <ul style="list-style-type: none"> <li>Develop FTA search tools for the services and investments industry, like ESG Tariff Finder, which allow users to quickly search for relevant information such as tariff exemptions and applicable FTAs</li> </ul>	<p><b>Communicate how FTAs can directly target challenges businesses face trading overseas</b></p> <ul style="list-style-type: none"> <li>Target business leaders with direct information and “bottom-line” benefits of specific chapters / provisions <ul style="list-style-type: none"> <li>Include high-level information that clearly states how it can help businesses to reduce costs, directly or indirectly</li> <li>Reach business leaders via both online methods like emails and offline methods, like networking events, industry conferences, exhibitions, etc.</li> </ul> </li> <li>Expand FTA Finder tools to services and investment industry <ul style="list-style-type: none"> <li>Develop an online finder tool similar to the ESG Tariff Finder, tailored specifically for the services and investment industries</li> <li>Content should address areas key to services and investments industries, such as, tariff rates for supplying services, process for investment approvals, certifications required, etc.</li> </ul> </li> </ul>
SOMEWHAT UTILISING FTAS	High	FTAs met needs		
NOT UTILISING FTAS	Moderate to high	FTA did not meet needs		

Utilising successful case studies, promoting learning about updates on FTAs, and conducting clinics and webinars addressing commonly faced issues may enhance the benefits gained among FTA users



The study uncovered new avenues that may be explored in future iterations: (1) a deep dive into specific market challenges, (2) identification of areas for specialised support, and (3) strategies for improving FTA literacy



### Market Specific Challenges

- **Developing countries were highlighted to present the most challenges** for business across various industries, such as India, Pakistan, Myanmar, Vietnam, Indonesia, etc.
- More research may be conducted to **understand the market nuances further** to identify gaps and develop strategies to address them



### Areas of Specialised Support

- Some respondents mentioned that they **require more specialised areas** of support, such as when facing legal litigations, breach of contract, or with regulations for specialised products
- Further research may be conducted to **identify the common areas where businesses commonly seek more specialised support**



### Improving FTA Literacy

- Most respondents lacked a **deep understanding of FTAs and specific chapters / provisions**
- Additional research may be conducted to **identify strategies to improve motivation to learn about FTAs and FTA literacy** to reduce reliance on FTA experts, such as freight forwarders and consultants

# APPENDIX

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- Appendix 1: Survey Questions
- Appendix 2: Awareness of Benefits of Service Chapters in FTAs
- Appendix 3: Awareness of Government Obligations in Government Procurement Chapters of FTAs
- Appendix 4: Use of Advanced Rulings
- Appendix 5: Have Tried Bidding for Public Tender
- Appendix 6: Awareness of E-Commerce Chapters in FTAs

## Survey Questions (1 of 8)

### SECTION A: FTA, CHAPTERS AND PROVISION AWARENESS

Question No.	Question	Answer Type
A1	In general, how familiar are you with Free Trade Agreements (FTA's)?	SA
A3	How long has your company been using FTAs?	SA
A4a	Which market(s) do you currently export to? Please select all that apply.	MA
A4b	If you have selected the ASEAN region, which market(s) do you currently export goods to? Please select all that apply	MA
A4c	If you have selected the South Asia region, which market(s) do you currently export goods to? Please select all that apply.	MA
A4d	If you have selected the East Asia region, which market(s) do you currently export goods to?	MA
A4e	If you have selected the Central and West Asia region, which market(s) do you currently export goods to? Please select all that apply.	MA
A4f	If you have selected the Oceania region, which market(s) do you currently export goods to? Please select all that apply	MA
A4g	If you have selected the Europe region, which market(s) do you currently export goods to? Please select all that apply.	MA
A4h	If you have selected the North America region, which market(s) do you currently export goods to? Please select all that apply.	MA
A4i	If you have selected the Central America region, which market(s) do you currently export goods to? Please select all that apply.	MA
A4j	If you have selected the South America region, which market(s) do you currently export goods to? Please select all that apply.	MA
A5	Do you know that we have an FTA with these markets?	Yes / No
A6	For each of the markets selected, is your company currently using any of these FTAs?	Yes / No
A7a	Which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7b	If you have selected the ASEAN region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7c	If you have selected the South Asia region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7d	If you have selected the East Asia region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7e	If you have selected the Central and West Asia region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7f	If you have selected the Oceania region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA

## Survey Questions (2 of 8)

### SECTION A: FTA, CHAPTERS AND PROVISION AWARENESS (cont...)

Question No.	Question	Answer Type
A7g	If you have selected the Europe region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7h	If you have selected the North America region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7i	If you have selected the Central America region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A7j	If you have selected the South America region, which new market(s) are you intending to export to in the future (within the next 5 years)? Please select all that apply.	MA
A8	You have indicated that you are not using any FTAs. Please share any reason(s) your company might have for not using FTAs.	OE
A9	Please indicate how aware you are of the following aspects of FTAs.	SA
A10a	You have indicated that you have not heard about FTAs before. Would you like to find out more about FTAs?	SA
A10b	Would you like for Singapore Business Federation (SBF) to reach out to you to discuss FTAs further?	SA
A10c	Kindly provide your contact information so that SBF can get in touch with you regarding FTAs.	OE

### SECTION B: TRADE IN GOOD AND RULES OF ORIGIN

Question No.	Question	Answer Type
B1	Are you or your customers facing any of the following challenges in obtaining tariff concessions in importing market when applying for authorized Preferential Certificate of Origin (PCO) and claims based on authorised PCO under the FTAs?	MA
B2a	Which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2b	If you have selected the ASEAN region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2c	If you have selected the South Asia region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2d	If you have selected the East Asia region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2e	If you have selected the Central and West Asia region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2f	In the Oceania region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2g	If you have selected the Europe region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2h	If you have selected the North America region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA

## Survey Questions (3 of 8)

### SECTION B: TRADE IN GOOD AND RULES OF ORIGIN (cont...)

Question No.	Question	Answer Type
B2i	If you have selected the Central America region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B2j	If you have selected the South America region, which of the following markets did you face challenges in obtaining tariff concessions? Please select all that apply.	MA
B3a	A Self-Certification regime allows exporters, producers or importers, depending on the specific Free Trade Agreement (FTA), to self-certify the originating status of their goods under the respective FTA based on information available so that preferential tariff treatment is accorded for the goods imported. What are the difficulties faced in preparing or issuing a Self-Certification when using FTAs?	MA
B3b	Which FTAs are you facing the challenges mentioned on Self-Certification?	MA
B4	Have you used the following channels when looking for information on FTAs?	MA

### SECTION C: CUSTOMS PROCEDURE AND TRADE FACILITATION

Question No.	Question	Answer Type
C1	With respect to Rapid Release of Goods objective where the goods have to be released within 48 hours or less, have you encountered situations where your goods/consignments have taken more than 48 hours to be released to your importer/buyer.	SA
C2a	An advance ruling is a written decision by the customs authority on tariff classification, origin, and customs valuation of commodities over a fixed period before their importation or exportation. Have you or your importer have used advance rulings for your goods/consignments?	SA
C2b	You mentioned that you have used advanced rulings for your goods/consignments, which of the following advanced rulings did you utilise? Please select all that apply.	MA
C2c	How helpful were the advance rulings in increasing the speed of the customs process?	SA
C3	Where do you normally find information on customs procedures from the importation market? Please select all that apply.	MA
C4a	Which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4b	If you have selected the ASEAN region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4c	If you have selected the South Asia region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4d	If you have selected the East Asia region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4e	If you have selected the Central and West Asia, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4f	If you have selected the Oceania region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4g	If you have selected the Europe region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA

## Survey Questions (4 of 8)

### SECTION C: CUSTOMS PROCEDURE AND TRADE FACILITATION (cont...)

Question No.	Question	Answer Type
C4h	If you have selected the North America region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4i	If you have selected the Central America region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C4j	If you have selected the South America region, which of the following importing markets have you searched for information on customs procedures? Please select all that apply.	MA
C5	Would you like to have information on customs procedure of importing markets in English?	SA

### SECTION D: TECHNICAL BARRIERS TO TRADE

Question No.	Question	Answer Type
D1	What are the source(s) that enable you to keep track of TBT updates/changes relevant to your products and target markets?	SA
D2	Are you currently facing any of the following challenges when importing/exporting?	MA
D3a	Which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3b	If you have selected the ASEAN region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3c	If you have selected the South Asia region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3d	If you have selected the East Asia region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3e	If you have selected the Central and West Asia, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3f	If you have selected the Oceania region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3g	If you have selected the Europe region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3h	If you have selected the North America region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3i	If you have selected the Central America region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D3j	If you have selected the South America region, which of the following importing markets did you face challenges in importing/exporting? Please select all that apply.	MA
D4a	How aware are you of the Standards, Technical Regulations and Conformity Assessment Procedure (STRACAP) chapters and their provisions in Free Trade Agreements?	MA
D4b	You indicated that you are {D4a option}, are you using any of the TBT/STRACAP provisions in FTAs?	MA
D4c	You indicated that you are using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply.	MA

## Survey Questions (5 of 8)

### SECTION D: TECHNICAL BARRIERS TO TRADE (cont...)

Question No.	Question	Answer Type
D4e	You indicated that you are NOT using TBT/STRACAP provisions in FTAs, which provisions are you using? Please select all that apply.	MA
D5	Do you have any challenges in the following areas that you would like EnterpriseSG to follow up with you on? Please select all that apply.	MA

### SECTION E: SANITARY AND PHYTOSANITARY

Question No.	Question	Answer Type
E1a	Are Sanitary and Phytosanitary rules applicable to your company or business activities?	MA
E1b	Are you facing any challenges when exporting food, animal, or plant products? Please select challenges that apply.	MA
E2a	Which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2b	If you have selected the ASEAN region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2c	If you have selected the South Asia region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2d	If you have selected the East Asia region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2e	If you have selected the Central and West Asia, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2f	If you have selected the Oceania region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2g	If you have selected the Europe region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets?	MA
E2h	If you have selected the North America region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2i	If you have selected the Central America region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA
E2j	If you have selected the South America region, which of the following markets did you face challenges in importing food, animal, or plant products into importing markets? Please select all that apply.	MA

## Survey Questions (6 of 8)

### SECTION F: TRADE IN SERVICES

Question No.	Question	Answer Type
F5	Please indicate the type of service(s) that your company is providing overseas. [MA]?	MA
F6	Please indicate the challenges in the above-mentioned mode of supply for Trade in Services, if any. Please select all that apply.	MA
F7a	Which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7b	If you have selected the ASEAN region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7c	If you have selected the South Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7d	If you have selected the East Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7e	If you have selected the Central and West Asia, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7f	If you have selected the Oceania region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7g	If you have selected the Europe region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7h	If you have selected the North America region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7i	If you have selected the Central America region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F7j	If you have selected the South America region, which of the following markets of importation have you encountered any obstacles/ difficulties when providing services overseas? Please select all that apply.	MA
F8	Are you aware that FTAs have a Trade in Services chapter designed to promote the flow of Trade in Services?	SA

## Survey Questions (7 of 8)

### SECTION G: TRADE IN INVESTMENT

Question No.	Question	Answer Type
G3	What obstacles/ difficulties have you encountered when investing overseas? Please select all that apply. [MA]	MA
G4a	Which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4b	If you have selected the ASEAN region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4c	If you have selected the South Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4d	If you have selected the East Asia region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4e	If you have selected the Central and West Asia, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4f	If you have selected the Oceania region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4g	If you have selected the Europe region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4h	If you have selected the North America region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4i	If you have selected the Central America region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G4j	If you have selected the South America region, which of the following markets of importation have you encountered any obstacles/ difficulties when investing overseas? Please select all that apply.	MA
G5	Are you aware that Singapore has Bilateral Investment Treaties and FTAs with Investment Chapters with several countries?	SA

## Survey Questions (8 of 8)

### SECTION H: GOVERNMENT PROCUREMENT

Question No.	Question	Answer Type
H1	Have you tried bidding for a public tender (similar to Singapore Gebiz which is a procurement platform)?	SA
H2	Have you faced any challenges during the process of the bidding for a public tender in overseas markets ? [SA]	SA
H3	Are you aware that some FTAs include government procurement obligations which governments must adhere to? [SA]	SA
H4	Would you consider whether a market has an FTA with a government procurement chapter with Singapore before applying for a public tender in that country? [SA]	SA

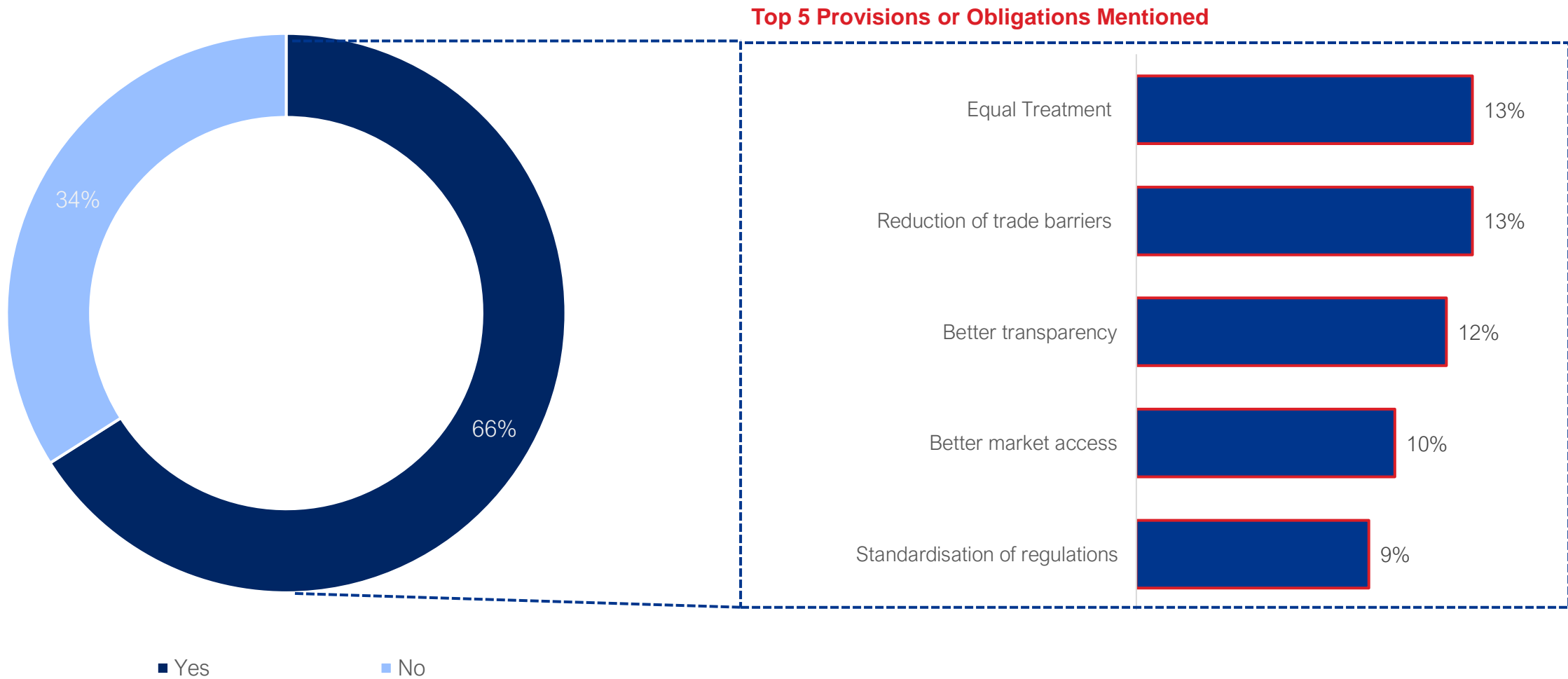
### SECTION I: E-COMMERCE

Question No.	Question	Answer Type
I1	Are you aware of the e-commerce chapters in Singapore's FTA, such as Comprehensive and Progressive Agreement for Trans-Pacific Partnership CPTPP?	SA
I2a	Have you found e-commerce chapter in the FTA, such as CPTPP in facilitating conducting cross border digital services beneficial?	SA
I2b	In your opinion, how beneficial is the e-commerce chapter in the FTA, such as CPTPP to your business?	SA
I2c	Would you like to see FTAs include provisions that serve the purpose of promoting e-commerce and digitalisation initiatives?	SA
I2d	What other e-commerce related issues would you like to be covered? Please select all that apply.	MA

### SECTION J: FEEDBACK

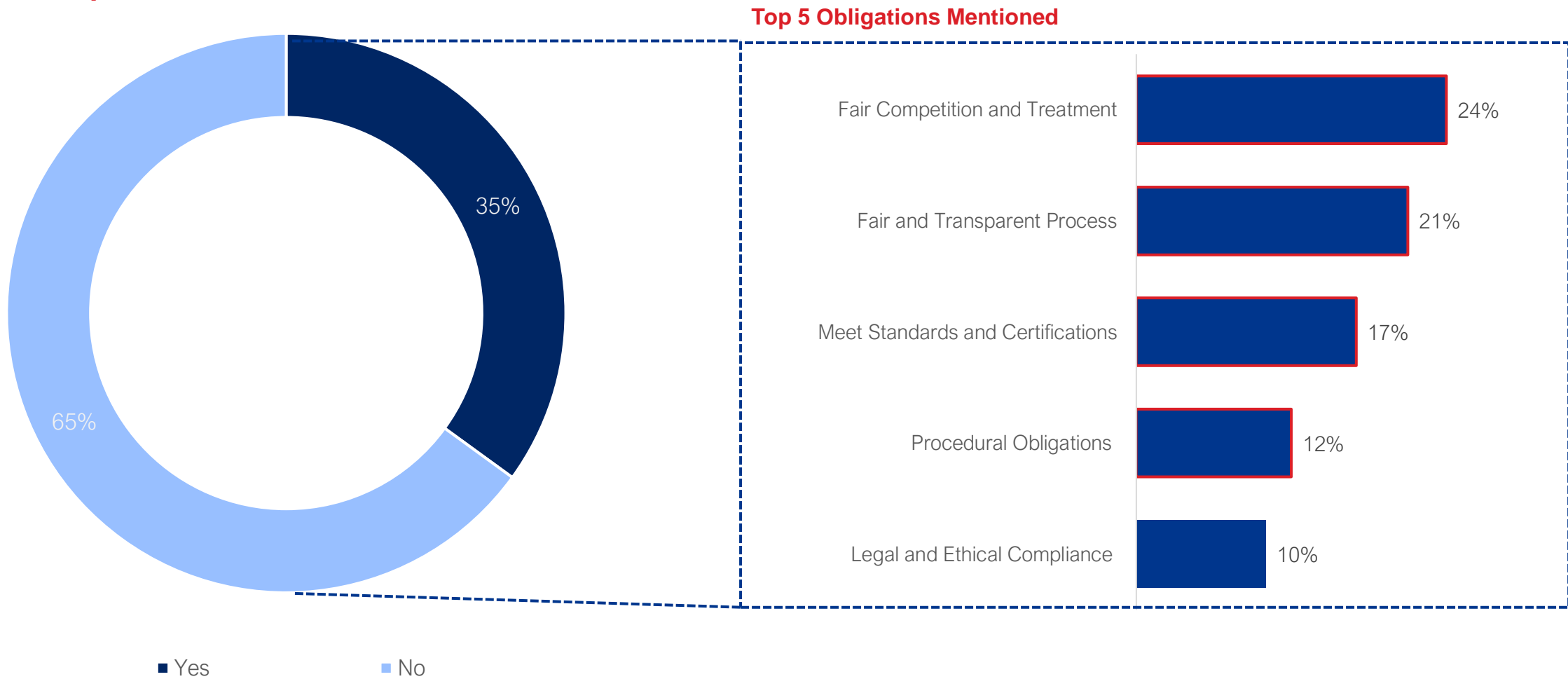
Question No.	Question	Answer Type
J1	Do you have any other feedback about FTAs?	OE
J2	Do you have any other feedback about the survey in general? [OE]	OE

Awareness of Benefits of Service Chapters in FTAs



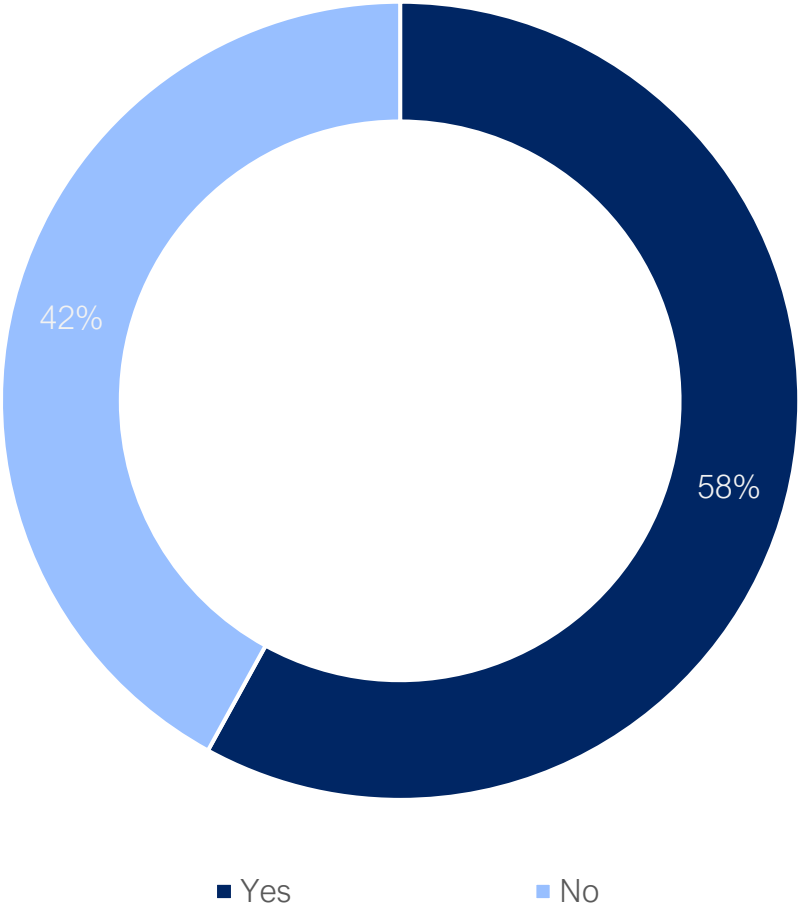
Base (n): Respondents who TIS and are aware of TIS chapters = 376, F8: Are you aware that FTAs have a Trade in Services chapter designed to promote the flow of Trade in Services?  
Base (n): Respondents who TIS, are aware of TIS chapters and aware of Service Chapter benefits = 248, F8: Are you aware that FTAs have a Trade in Services chapter designed to promote the flow of Trade in Services?

Awareness of Government Obligations in Government Procurement Chapters of FTAS



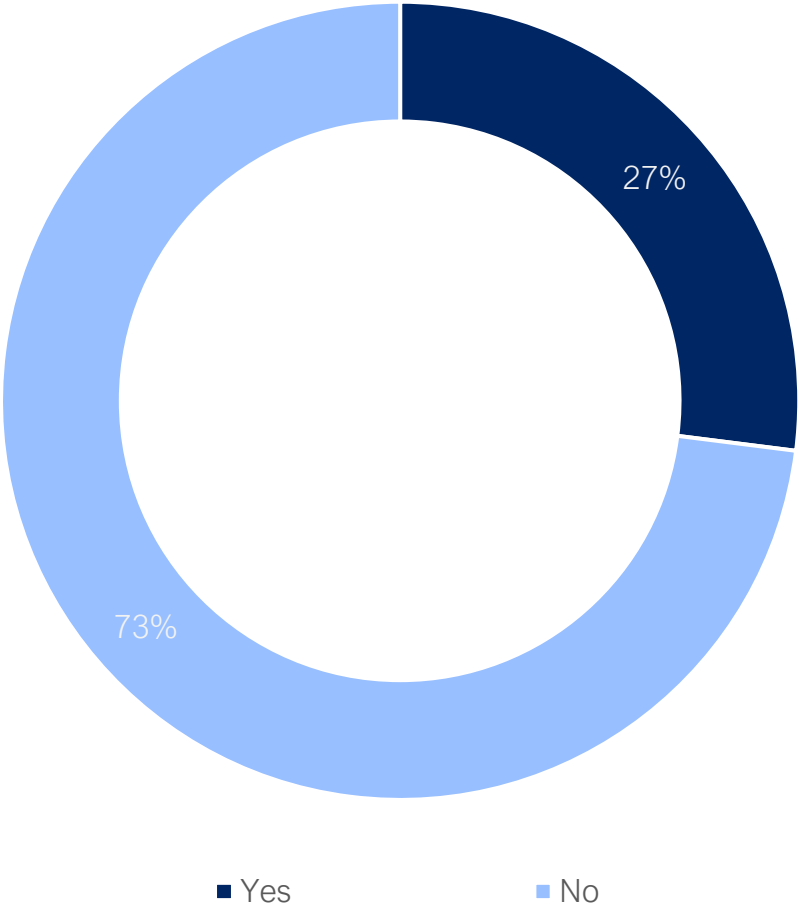
Base (n): Respondents who are aware of government procurement chapters = 628, H3: Are you aware that some FTAs include government procurement obligations which governments must adhere to?  
Base (n): Respondents who TIS, are aware of TIS chapters and aware of Service Chapter benefits = 248, F8: Are you aware that FTAs have a Trade in Services chapter designed to promote the flow of Trade in Services?

Use of Advanced Rulings



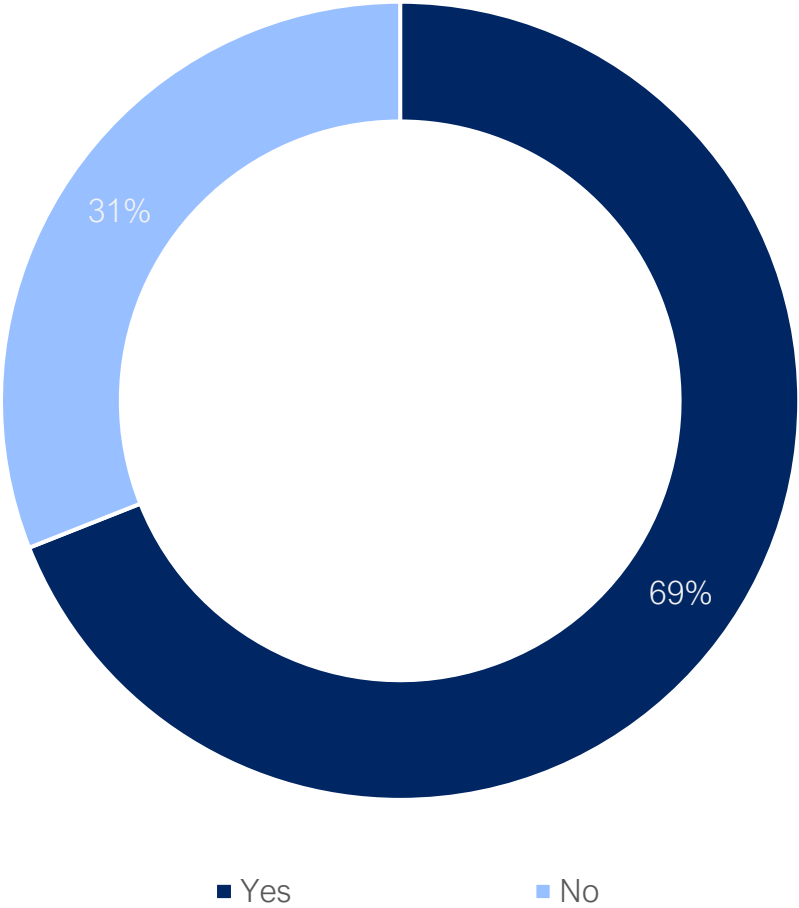
Base (n): Respondents who are aware of e-commerce chapter in FTAs = 313, C2a: An advance ruling is a written decision by the customs authority on tariff classification, origin, and customs valuation of commodities over a fixed period before their importation or exportation. Have you or your importer used advance rulings for your goods/consignments?

Have Tried Bidding for Public Tender



Base (n): Respondents who are aware of e-commerce chapter in FTAs = 629, H1: Have you tried bidding for a public tender (similar to Singapore Gebiz which is a procurement platform)?

Awareness of E-commerce Chapters in FTAs



Base (n): Respondents who are aware of e-commerce chapter in FTAs = 706, I1: Are you aware of the e-commerce chapters in Singapore's FTA, such as Comprehensive and Progressive Agreement for Trans-Pacific Partnership CPTPP?



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**THANK YOU!**

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