

# EUSFTA Trade in Goods: Increase your Products' Price Competitiveness in the EU

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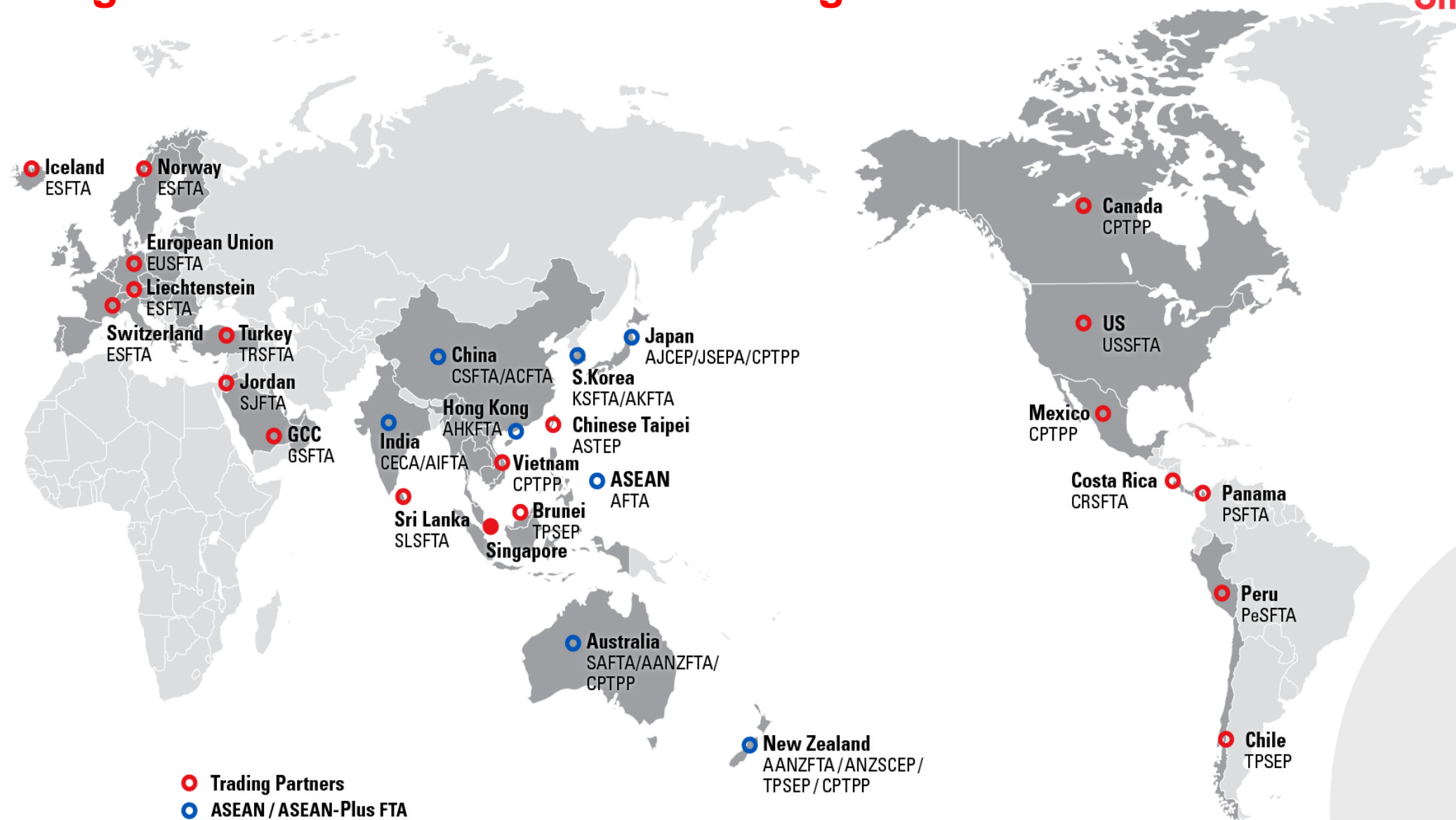
4 Feb 2020



# Content

1. Singapore's FTA Network
2. Benefits of FTAs to Businesses
3. EU's Tariff Schedule
4. FTA Resources

# Singapore's Network of FTAs/EPAs – 26 agreements in Force with 65 Trading Partners



# Content

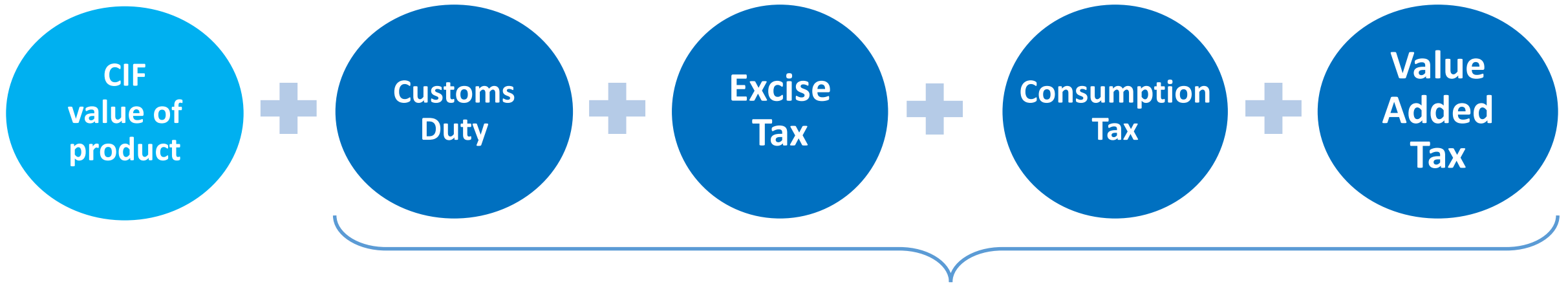
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# FTA eliminate / reduce customs duties...



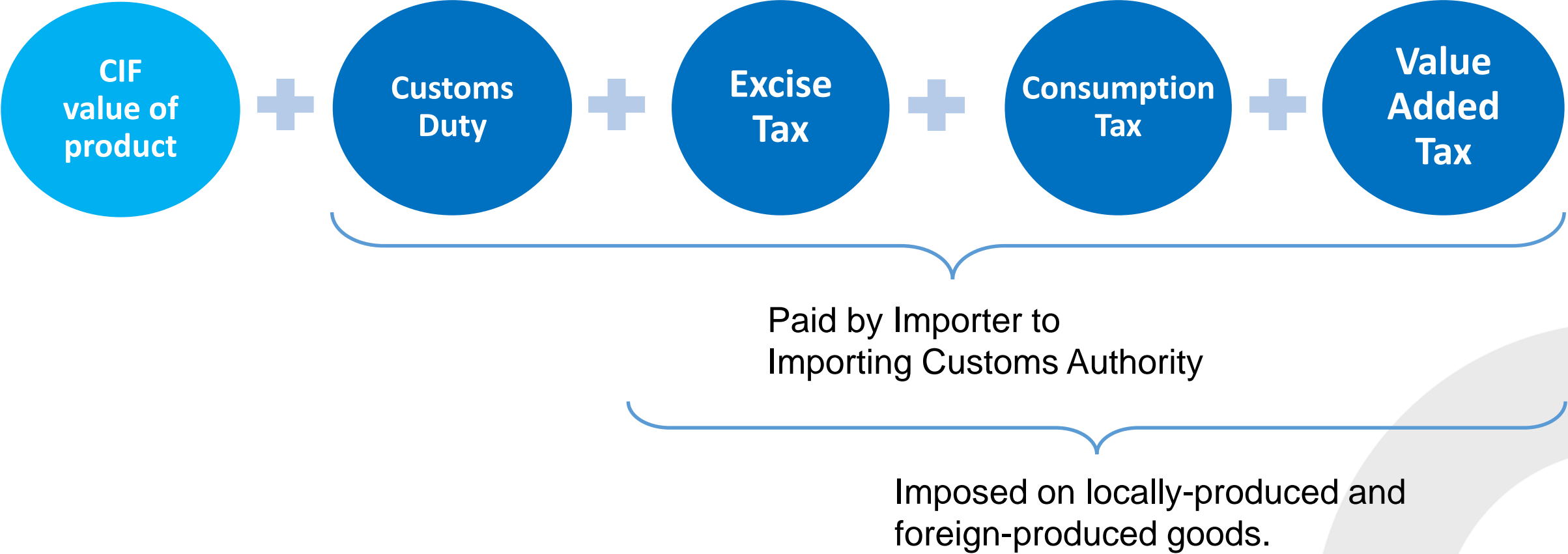
*CIF = Cost, Insurance and Freight*  
*VAT = Value-added tax*

# FTA eliminate / reduce customs duties...



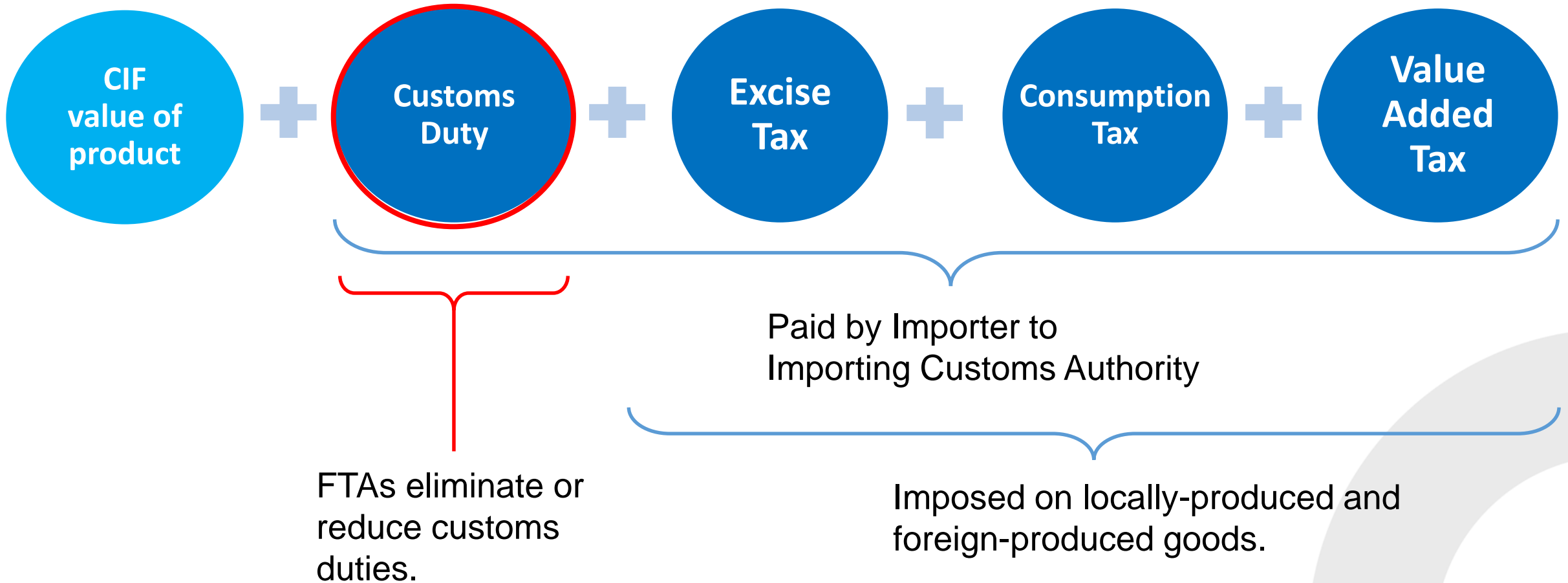
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# FTA eliminate / reduce customs duties...



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# FTA eliminate / reduce customs duties...



CIF = Cost, Insurance and Freight  
VAT = Value-added tax

## ....and increase the price competitiveness of your Goods for the EU importers / buyers

### Example 1: Parts and accessories for cameras (HS 9006.91)

	without FTA	EUSFTA
Customs Duty in the EU	3.2%	
EUSFTA Preferential Rate	N.A.	0%
Export Value (A)	\$1,000,000	
Customs duty Payable (B)	\$32,000	\$0*
Importer's Total Cost (A + B)	\$1,032,000	\$1,000,000
<b>Tariff Savings</b>	<b>No saving</b>	<b>\$32,000</b>

\* Product required to fulfil the EUSFTA rules of origin criteria.

## Example 1: Parts and accessories for cameras (HS 9006.91)

### For the EU importer to enjoy the tariff savings of \$32,000:

1. The parts and accessories must satisfy the EUSFTA rules of origin in Singapore => Manufacture from materials of any heading, except that of the product; or

Manufacture in which the value of all the non-originating materials used does not exceed 50% of the ex-works price of the product.

2. Exporter to declare product as originating from Singapore on the invoice or commercial document.

## ....and reduce the cost for certain goods for SG consumers

Example 2: Beer made from malt; Stout or Porter; Other beer, including ale (HS 2203)

	without FTA	EUSFTA
Customs Duty in Singapore	S\$16.00 per litre of alcohol	
EUSFTA Preferential Rate	N.A.	0%
Export Volume @ 6% alcohol content	100,000 litres	
Customs duty Payable (A)	S\$96,000	\$0**
Importer's Total Cost (CIF* + A)	CIF + S\$96,000	CIF
<b>Tariff Savings</b>	<b>No saving</b>	<b>S\$96,000</b>

\*Cost, Insurance and Freight

\*\* Product required to fulfil the EUSFTA rules of origin criteria.

## Example 2: Beer made from malt; stout or porter; Other beer (HS 2203)

To increase the price competitiveness of EU beer/stout in Singapore:

1. The beer/stout must satisfy the EUSFTA rules of origin:

HS Heading	Description of product	Working or processing, carried out on non-originating materials, which confers originating status
Chapter 22	Beverages, spirits and vinegar	Manufacture from materials of any heading, except that of the product and headings 2207 and 2208, in which: <ul style="list-style-type: none"><li>– all the materials of sub-headings 0806 10, 2009 61, 2009 69 used are wholly obtained, and</li><li>– the individual weight of sugar<sup>1</sup> and of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product, and</li><li>– the total combined weight of sugar<sup>2</sup> and the materials of Chapter 4 used does not exceed 40 % of the weight of final product</li></ul>

2. The EU exporter must declare the product as originating from the EU on their invoice / commercial document.

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# EUSFTA - Trade in Goods

(EUSFTA text: <https://www.enterprisesg.gov.sg/non-financial-assistance/for-singapore-companies/free-trade-agreements/ftas/singapore-ftas/eusfta>)

- The EUSFTA is the **first** bilateral FTA concluded between the EU and an ASEAN country, and the **third** FTA with an Asian country after Korea and Japan.
- The EUSFTA provides greater market access and protection for both Singapore & EU exporters and investors growing their businesses in the other Party
- From the entry into force (EIF) of the agreement (21 Nov 2019), EU's customs duties on SG-originating goods will be eliminated either,
  - I. Immediately;
  - II. in 4 equal annual staging; or
  - III. in 6 equal annual staging

## Tariff Elimination - Singapore's Commitments

- Singapore will fully bind its current level of duty free access for all products originating in the EU.
- Singapore will also eliminate all its remaining tariffs on beer and stout. EU-originating beer and stout will enjoy zero tariffs when entering Singapore.

Singapore's Commitments	
❖ <b>Eliminated immediately upon entry into force</b> for:	
HS 2203 0011	} Stout or porter
HS 2203 0019	
HS 2203 0091	} Other beer including ale
HS 2203 0099	
HS 2208 9010	} Medicated samsu
HS 2208 9020	
HS 2208 9030	} Other samsu
HS 2208 9040	

## Tariff Elimination - EU's Commitments

- Customs tariffs in the EU will be eliminated either immediately (on EIF) on 21 Nov 2019 or in either 4 equal annual staging or in 6 equal annual staging from 21 Nov 2019 and on 21 Nov in subsequent years.

Staging Category	Tariff staging	Examples of products
Entry into force (EIF)	Immediate elimination of Customs duties	Beer & stout (SG), crab balls, pharmaceuticals
3	Customs duties will be removed in 4 equal annual stages beginning at EIF	Petrochemicals, plastics, selected dim sum, measuring instruments, audio visual products
5	Customs duties will be removed in 6 equal annual stages beginning at EIF	Chocolate, confectionary, sportswear, roti prata.
X	No preferential tariff treatment	Fish products: <i>Tilapia, Skipjack</i> ; Processed agriculture: Chemically pure fructose, sweet corn.

# Tariff elimination - EIF, 3yrs and 5yrs

HS code	Description	EU's Base rate (Staging Category)	Preferential rate					
			21 Nov 2019 (Year 1)	21 Nov 2020 (Year 2)	21 Nov 2021 (Year 3)	21 Nov 2022 (Year 4)	21 Nov 2023 (Year 5)	21 Nov 2024 onwards
7326 90	Ball bearings used in freight loading systems in certain types of aircraft	<b>2.7%</b> <b>(EIF)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
8506 50	Primary cells and primary batteries; Lithium; Button cells	<b>4.7%</b> <b>(EIF)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1902 19	Uncooked pasta, not stuffed or otherwise prepared: Other (Asian Bee Hoon)	7.7% + 24.6 €/100kg <b>(3)</b>	<b>5.8% + 18.5</b> <b>€/100kg</b>	<b>3.9% + 12.3</b> <b>€/100kg</b>	<b>1.9% + 6.2</b> <b>€/100kg</b>	<b>0</b>	<b>0</b>	<b>0</b>
8482 30	Spherical roller bearings	<b>8%</b> <b>(3)</b>	<b>6%</b>	<b>4%</b>	<b>2%</b>	<b>0</b>	<b>0</b>	<b>0</b>
1804 00	Cocoa butter, fat and oil	7.7% <b>(5)</b>	<b>6.4%</b>	<b>5.1%</b>	<b>3.9%</b>	<b>2.6%</b>	<b>1.3%</b>	<b>0</b>
8528 72	Reception apparatus for television; with screen of the LCD technology	<b>14%</b> <b>(5)</b>	<b>11.7%</b>	<b>9.3%</b>	<b>7%</b>	<b>4.7%</b>	<b>2.3%</b>	<b>0</b>

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# EUSFTA text on ESG FTA website

(<https://www.enterprisesg.gov.sg/non-financial-assistance/for-singapore-companies/free-trade-agreements/ftas/singapore-ftas/eusfta>)

FREE TRADE AGREEMENTS

Overview

Trade in Goods

Trade in Services

Investment

**Singapore FTAs** ▾

Tariff Finder

FTA Application Process

Glossary

Contact Us

## Singapore FTAs


Implemented FTAs

Ready for companies to use

### Bilateral FTAs

Agreements signed between Singapore and a single trading partner

- [China-Singapore Free Trade Agreement \(CSFTA\)](#)
- [European Union-Singapore Free Trade Agreement \(EUSFTA\)](#)
- [India-Singapore Comprehensive Economic Cooperation Agreement \(CECA\)](#)
- [Japan-Singapore Economic Partnership Agreement \(JSEPA\)](#)
- [Korea-Singapore Free Trade Agreement \(KSFTA\)](#)
- [New Zealand-Singapore Comprehensive Economic Partnership \(ANZSCEP\)](#)
- [Panama-Singapore Free Trade Agreement \(PSFTA\)](#)
- [Peru-Singapore Free Trade Agreement \(PeSFTA\)](#)
- [Singapore-Australia Free Trade Agreement \(SAFTA\)](#)
- [Singapore-Costa Rica Free Trade Agreement \(SCRFTA\)](#)
- [Singapore-Jordan Free Trade Agreement \(SJFTA\)](#)
- [Sri Lanka - Singapore Free Trade Agreement \(SLSFTA\)](#)
- [Turkey-Singapore Free Trade Agreement \(TRSFTA\)](#)
- [United States-Singapore Free Trade Agreement \(USSFTA\)](#)



# EUSFTA text on ESG FTA website



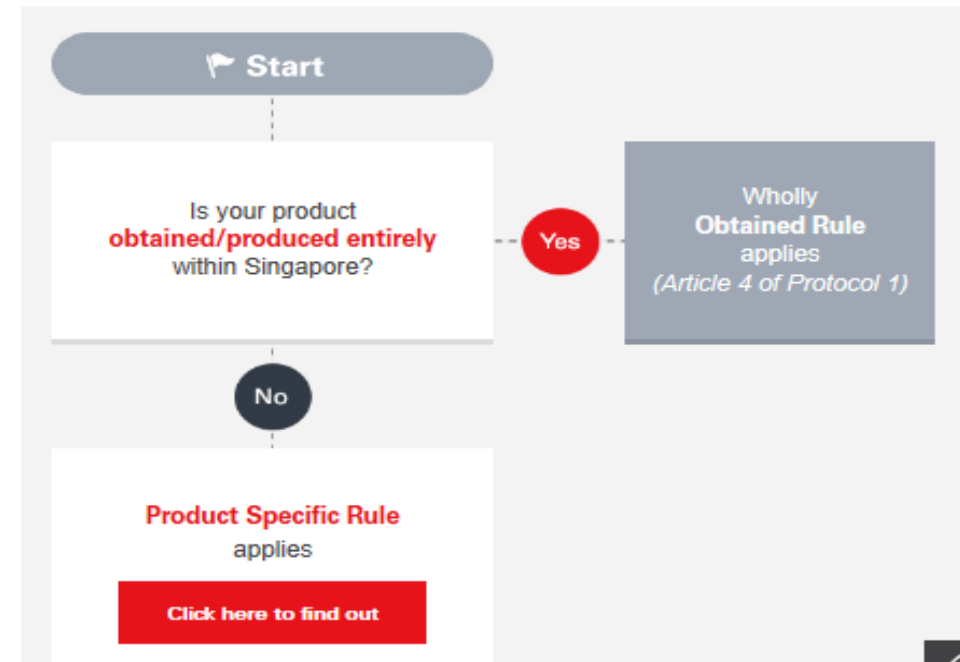
The screenshot shows the Enterprise Singapore website's navigation menu with 'Non-Financial Assistance' selected. Below the menu is a large image of the European Union flag. A breadcrumb trail reads: Home > Non-Financial Assistance > For Singapore Companies > Free Trade Agreements > Free Trade Agreements > Singapore FTAs > EUSFTA. The main heading is 'European Union – Singapore Free Trade Agreement (EUSFTA)'. A sidebar on the left lists 'FREE TRADE AGREEMENTS' with links for 'Overview', 'Trade in Goods', and 'Trade in Services'. The 'Key Benefits' section includes a bullet point: 'The EU will remove tariffs on 84% of all Singapore products entering the EU within the first year, and the remaining 16% over a period of 3 to 5 years.'

**Step 1: If your product HS code is included in the Tariff Schedule of the EU, the respective staging categories (3, 5 or X) apply to the elimination of customs duties. If your product HS code is not included in the Tariff Schedule of the EU, it means that the customs duty will be eliminated upon entry into force of the EUSFTA.**

- Elimination of Customs Duties
- Tariff Schedule of the Union



**Step 2: Find out the rules of origin criteria for your product HS code.**

Rules of origin are a set of criteria which determine a product's originating status in each FTA. It is put in place to ensure that only goods originating from the FTA partner country will benefit from tariff concessions.



# Singapore Customs website

(<https://www.customs.gov.sg/news-and-media/circulars>)

Home SINGAPORE CUSTOMS [SG] <https://www.customs.gov.sg/news-and-media/circulars>  

Circulars ▾

Competent Authorities' Circulars

Notices ▶

Public Advisory on Scams ▶

Media Releases

Publications ▶

Public Outreach ▶

## Circulars

*Circulars that are not listed are no longer in use.*

Date	Title
18 Nov 2019	<u>Circular No: 19/2019</u> Claiming of Preferential Tariff Treatment for Imports from the European Union to Singapore under the European Union-Singapore Free Trade Agreement (EUSFTA) Tags: Rules of Origin/ Free Trade Agreement (FTA), Import Procedures
18 Nov 2019	<u>Circular No: 18/2019</u> Claiming Preferential Tariff Benefits for Goods Exported from Singapore to the European Union under the European Union-Singapore Free Trade Agreement (EUSFTA) Tags: Rules of Origin/ Free Trade Agreement (FTA), Export Procedures

YEAR

Show All ▾

TITLE

TAGS

Advisory

Tariffs

Duties

# FTA Tool: The Tariff Finder provides quick answers to your tariff enquiries

Access Tariff Finder: <https://www.enterprisesg.gov.sg/non-financial-assistance/for-singapore-companies/free-trade-agreements/ftas/tariff-finder>

The screenshot shows the Tariff Finder web application. At the top, there is a navigation bar with links for Query, Reports, Updates, Profile, and a user profile for Tricia. The Enterprise Singapore and Mendel logos are also present. The main heading is 'TARIFF FINDER' in large, bold letters, with 'Powered by MendelOnline' underneath. A descriptive sentence states: 'The Tariff Finder is a foreign trade application which provides and links extensive information on global tariff and non-tariff measures.' Below this, there are four tabs: NOMENCLATURES, TARIFFS AND TAXES, RULES OF ORIGIN, and IMPORT/EXPORT FORMALITIES. A disclaimer link is visible. The search section includes three input fields: 'Origin country', 'Destination country', and 'Product code', each with a question mark icon. There are 'Find' and 'Search' buttons. Below the search fields, there is a 'Recent updates' section with a list of updates. The updates table has columns for date, country, and description.

Date	Country	Description
4 Sep 2019	Venezuela	Nomenclature, tariff and tax rates remained stable as no changes took place.
4 Sep 2019	South Africa	Changes of tariff rates.
4 Sep 2019	Bangladesh	Nomenclature changes.
4 Sep 2019	Belize	Amendments as regards alcoholic beverages, radio and telecommunications equipment (RTTE) as well as Ministry's denomination have been brought to the import documentation for Belize. The following changes have been made: Alcoholic Beverages...
4 Sep 2019	Lebanon	Amendments as regards infants' food, Lebanon's adherence to the Minamata Convention and trade-related news have been brought to the import documentation for Lebanon. Attention is drawn to the following changes: Infants' Food For reasons o...
3 Sep 2019	Guinea	Nomenclature, tariff and tax rates remained stable as no changes took place.
3 Sep 2019	Ecuador	Focus: Commercial Invoice, products from forest plantations, conformity assessment procedures, updated application forms and trade-related news. The import documentation for Ecuador has been reviewed and adapted accordingly. The following c...
3 Sep 2019	Jamaica	Amendments as regards special economic zones (SEZs), labelling of pesticides, denomination as well as trade-related news have been brought to the import documentation for Jamaica. The following changes have been made: Special Economic Zone...
2 Sep 2019	Brazil	Changes of tariff rates. Amendments to the internal taxation.

## Information available on Tariff Finder:

- ✓ Product's HS Code
- ✓ Customs duties
- ✓ Other applicable taxes & charges
- ✓ Rules of Origin
- ✓ Import Formalities  
*(Documentations and Import procedures)*

**Complimentary** access to information covering more than 120 countries.

# Register for an account

## Tariff Finder

Find out how you can access the Tariff Finder easily, through this video



- [Register now](#)
- [Access now](#)

You will be directed to an external site.

# Preparing to export your products to the EU and benefitting from the EUSFTA

- Are there currently duties imposed on your imports in the EU?
- Are your products included for tariff elimination in the EUSFTA tariff schedule? If yes, when will the tariff elimination take place?
- Do you need to make changes to your supply chain for materials in order to meet the rules of origin?

Enterprise  
Singapore

Thank You

[www.enterprisesg.gov.sg](http://www.enterprisesg.gov.sg)

