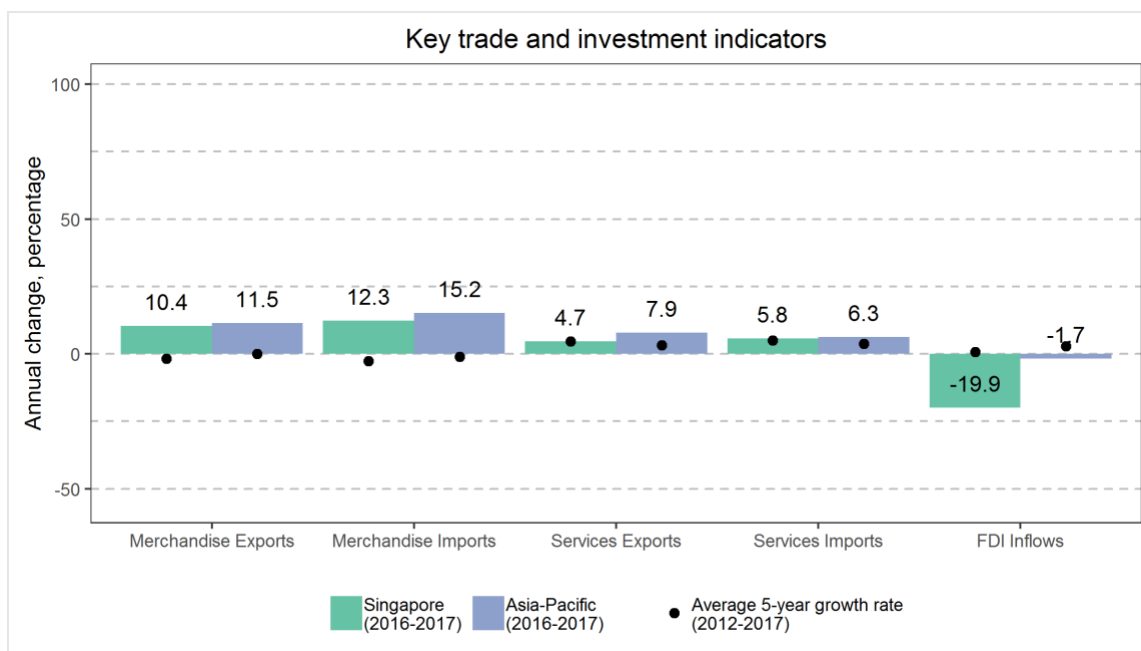




Asia-Pacific Trade Briefs: Singapore



Merchandise Trade

Singapore has a trade-to-GDP ratio of 315.19%. Merchandise trade accounted for 68.7% of Singapore's total trade in 2017. Singapore's merchandise exports declined by 1.7% on average during 2012-2017, lower than the Asia-Pacific average of 0% during the same time period. In 2017, Singapore's merchandise exports grew by 10.4%, while in the Asia-Pacific region they increased by 11.5% in the same year. Meanwhile, Singapore's merchandise imports decreased by 2.7% on average during 2012-2017, and recorded an increase of 12.3% between 2016 and 2017.

Services Trade

In 2017, Singapore's commercial services' shares of total exports and imports were 29.5% and 33.4%, respectively. Commercial services exports grew by 4.6% on average during 2012-2017, higher than the Asia-Pacific average of 3.2% during the same time period. In 2017, Singapore's commercial services exports grew by 4.7%, while in Asia-Pacific region they increased by 7.9%. Meanwhile, Singapore's commercial services imports increased by 5% on average during the 2012-2017 period, recording a growth rate of 5.8% from 2016 to 2017.

Foreign Direct Investment (FDI)

Singapore recorded an average annual FDI inflows growth of 0.7% from 2012 to 2017, smaller than the Asia and the Pacific's 2.9% average annual FDI inflow growth. At the same time, Singapore experienced a decline in FDI inflows by 19.9% in 2017. In terms of FDI outflows, Singapore had an average annual FDI outflows growth of 4.6% in the last five years, larger than the Asia and the Pacific's 3.5% average annual FDI outflow growth. In 2017, Singapore experienced a decline in FDI outflows by 11.6%.



Top Trade Partners

In 2017, the largest trade partner of Singapore was China, representing 14.7% of its exports and 13.9% of its imports. 10.8% of Singapore's exports and 12% of Singapore's imports by value were traded with Malaysia, its second largest trade partner. Other significant trade partners were United States, Hong Kong, China, Taiwan, China, Japan, Republic of Korea, Indonesia, Thailand, and India.

Top Traded Products

The largest product category exported by Singapore in 2017 was "Electronic integrated circuits" (8542), with an export share of 21.4% of total exports, followed by the second most exported product category, "Petroleum oils and oils from bituminous minerals, not crude; preparations n.e.c, containing by weight 70% or more of petroleum oils or oils from bituminous minerals; these being the basic constituents of the preparations; waste oils" (2710), which accounted for 12.3% of Singapore's total exports. In terms of imports, "Electronic integrated circuits" (8542) represented 18.1% of total imports, standing out the top imported product category. Meanwhile, "Petroleum oils and oils from bituminous minerals, not crude; preparations n.e.c, containing by weight 70% or more of petroleum oils or oils from bituminous minerals; these being the basic constituents of the preparations; waste oils" (2710) had a share of 12.3%, the second largest imported product category in Singapore in 2017.

Tariffs

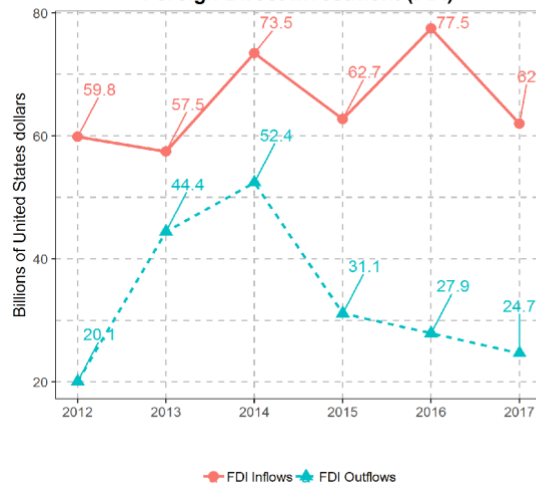
In 2017, average MFN applied and effectively applied tariffs in Singapore were 0% and 0%, respectively - lower than the averages for the Asia-Pacific economies of 7.46% and 6.91%, respectively. Average MFN bound tariff rate of 6.76% was lower than the Asia-Pacific average of 26.35%. Singapore is a founding member of the WTO. Currently, 70.8% of Singapore's tariff lines are bound.

Trade Costs

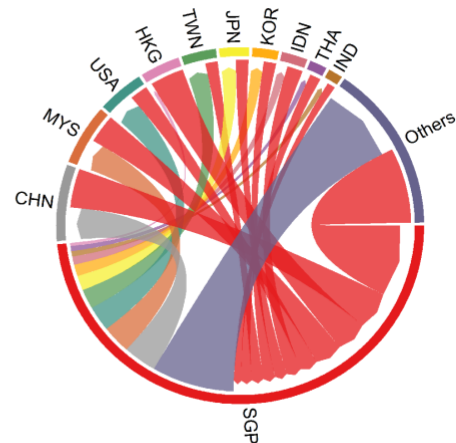
Singapore's average trade costs with major trading economies in the region, are presented in the graph below. Trade costs in Singapore remained higher compared with the most efficient traders in Asia and the Pacific.



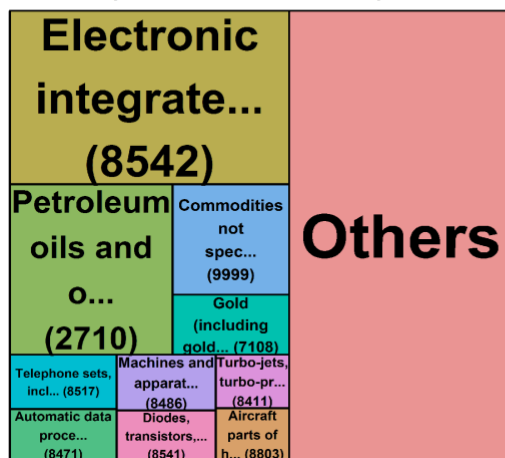
Foreign Direct Investment (FDI)



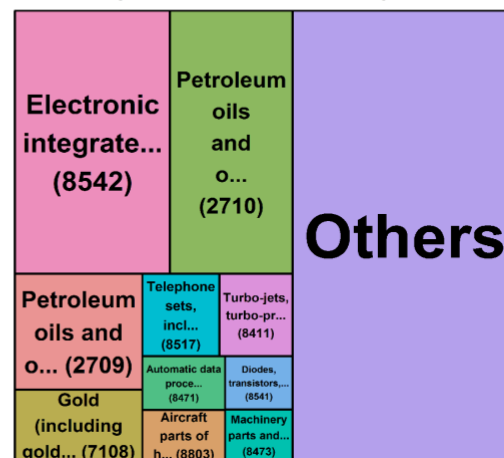
Top 10 trade partners, 2017



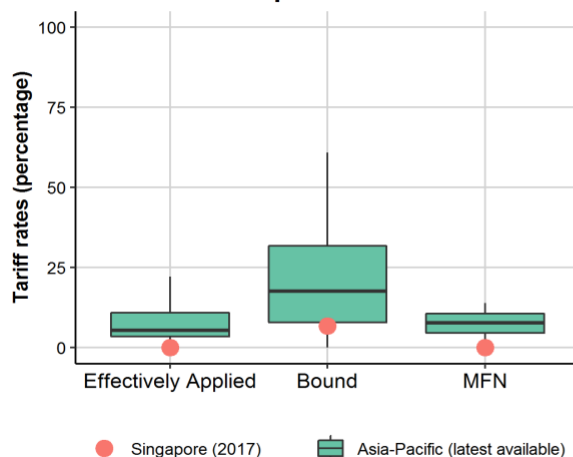
Top merchandise exports



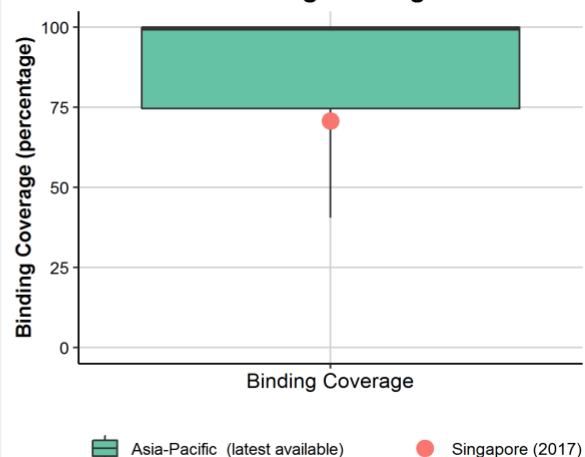
Top merchandise imports

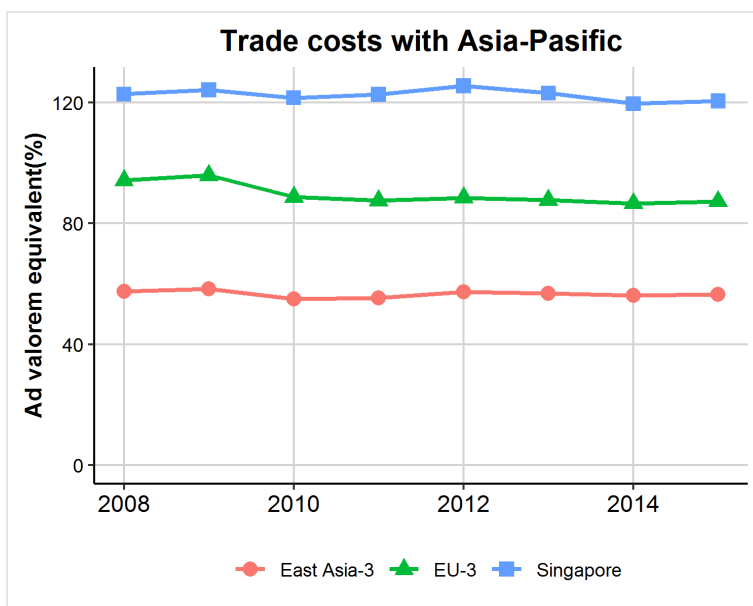


Import Tariffs



Binding coverage





Trade Agreements

Singapore has 23 trade agreements in force, 2 signed agreements pending ratification, and 10 trade agreements under negotiation. Of the economy's total exports, 75.7% are directed to its trade agreement partners, while 83.4% of its total imports come from trade agreement partners.

Title	Status	Year in force	Share of total exports (%)	Share of total imports (%)
Global System of Trade Preferences (GSTP)	in force	1989	37.05	30.72
ASEAN Economic Community	in force	1992	27.76	20.77
New Zealand-Singapore	in force	2001	0.49	0.27
Japan-Singapore	in force	2002	4.69	6.32
Australia-Singapore	in force	2003	2.73	1.26
Singapore-European Free Trade Association (EFTA)	in force	2003	0.75	3.07
Singapore-United States	in force	2004	6.63	10.72
ASEAN-China	in force	2005	42.48	34.71
India-Singapore	in force	2005	3.01	2.24
Singapore-Jordan	in force	2005	0.01	0.01
Republic of Korea-Singapore	in force	2006	4.58	4.99
Singapore-Panama	in force	2006	1.46	0.02
Trans-Pacific Strategic Economic Partnership Agreement (Trans-Pacific SEPA)	in force	2006	0.72	0.38
ASEAN-Japan	in force	2008	32.45	27.08
China-Singapore	in force	2009	14.72	13.94



Title	Status	Year in force	Share of total exports (%)	Share of total imports (%)
Singapore-Peru	in force	2009	0.02	0.01
ASEAN-Australia-New Zealand	in force	2010	30.98	22.30
ASEAN-India	in force	2010	30.77	23.01
ASEAN-Republic of Korea	in force	2010	32.34	25.76
Singapore-Costa Rica	in force	2013	0.01	0.02
Singapore-Gulf Cooperation Council (GCC)	in force	2013	1.48	8.26
Singapore - Taiwan Province of China	in force	2014	4.50	8.38
Singapore - Turkey	in force	2017	0.14	0.23
Singapore-European Union (EU)	signed	NA	8.72	12.39
Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)	signed	NA	22.91	22.04
ASEAN-European Union (EU)	under neg.	NA	36.49	33.16
ASEAN-Hong Kong, China	under neg.	NA	40.33	22.14
Pakistan-Singapore	under neg.	NA	0.27	0.02
Regional Comprehensive Economic Partnership (RCEP)	under neg.	NA	57.98	49.80
Singapore-Canada	under neg.	NA	0.20	0.42
Singapore-Mexico	under neg.	NA	0.35	0.63
Singapore-Sri Lanka	under neg.	NA	0.50	0.04
Singapore-Ukraine	under neg.	NA	0.00	0.03
Singapore-Pacific Alliance	under neg.	NA	0.42	0.79
Singapore-Mercosur	under neg.	NA	0.37	0.47

Sources: Total commercial services and merchandise trade data were accessed from the WTO statistics website. Bilateral trade data accessed through IMF Direction of Trade Statistics. Product-level data accessed through UN Comtrade database. Tariff data were accessed through the World Bank's WITS and WTO tariff databases. FDI data were accessed through UNCTAD statistics portal. Trade-to-GDP ratio was calculated by summing commercial and merchandise exports and imports and dividing the sum by the latest GDP (current United States dollars), retrieved from the World Bank World Development indicators database. Trade costs data were based on the ESCAP-World Bank trade cost database.

Note: Data are based on economies for which data available only. For regional aggregates, latest data was used in lieu of latest missing values. Merchandise trade data follow the latest HS classification. Products are defined at the 4-digit level. Tariffs are simple average. Trade costs shown are tariff equivalents, calculated as trade-weighted average trade costs of economies with found developing economies in the region (China, India, Indonesia and Russian Federation), where data was available. Trade costs for East Asia-3 comprises China, Japan and the Republic of Korea; trade costs for European Union-3 comprises Germany, France and the United Kingdom.

Definitions: MFN bound tariff is the maximum most-favoured nation (MFN) tariff permitted under WTO obligations. MFN applied tariff is the tariff applied to imports among WTO members. The effectively applied rate is the ratio of collected import tariff revenue and value of imports. Binding coverage refers to the share of bound tariff lines in the total number of tariff lines. For more details contact escap-tiid@un.org.