Department for International Trade

Department for Business, Energy & Industrial Strategy

Lord Grimstone of Boscobel, Kt
Minister for Investment

Department for International Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

Baroness Hayter of Kentish Town
International Agreements Committee
House of Lords
London
SW1A 0PW

T +44 (0) 20 7215 5000
E grimstone.correspondence@trade.gov.uk
W www.gov.uk/dit

9th December 2021

Dear Dianne,

Update on negotiations on the UK Singapore Digital Economy Agreement: Agreement in Principle

I am writing to inform you and the committee that following intensive negotiations since June, I am very pleased to report that we have now reached Agreement in Principle on what will be the world's most comprehensive digital trade agreement.

The UK-Singapore Digital Economy Agreement (the "DEA") will take our trading relationship with Singapore – worth £16 billion in 2020 – to the next level by overhauling outdated trade rules that affect both goods and services exporters, making it easier for UK business to target new opportunities in both Singapore and lucrative Asian markets. This means that modern trade in services, financial services, agricultural goods, manufactured goods, legal advice, architecture, and many other sectors can operate more easily, supported by their all-important underlying data.

The deal that reflects the objectives for digital trade that we set out in September this year, namely:

- Securing open digital markets, including through important commitments such as a prohibition on imposing customs duties on electronic transmissions.
- Championing cross-border data flows and prohibiting the unjustified forced localisation of data as well as committing to high standards of personal data protection.
- Championing consumer benefits and necessary business safeguards in digital trade. This includes important issues such as the protection of source code and online consumer protection.
- Promoting digital trading systems that cut red tape and make trade cheaper, faster, and more secure for businesses. This includes commitments around electronic signatures and contracts.
- Promoting collaboration with Singapore to shape the rules that govern digital trade and ensure they free, fair, and inclusive. This includes commitments to collaborate with Singapore in emerging fields such as fintech and lawtech.

The deal also closely reflects the ground-breaking G7 Digital Trade Principles that the UK brokered in October under our Presidency. This includes recognition of the importance of decent conditions of work for those employed in the digital economy.

Following the agreement in principle, the legal text will now be finalised. Signature of the agreement will take place at a future date, at which point the agreement will also be presented to Parliament for scrutiny.

I have attached the following document: ‘Singapore DEA Explainer’, which I will be placing copies of in the libraries of the House.

Best wishes,

Lord Grimstone of Boscobel, Kt
Minister for Investment
Department for International Trade
Department for Business, Energy and Industrial Strategy