

Convinced that stronger economic linkages between them would provide greater opportunities, larger economies of scale and a more predictable environment for economic activities not only for Japanese and Singapore businesses but also for other businesses in Asia;

Determined to create a legal framework for an economic partnership between the Parties;

HAVE AGREED as follows:

CHAPTER 1 GENERAL PROVISIONS

Article 1 Objectives

The objectives of this Agreement are:

- (a) to facilitate, promote, liberalise and provide a stable and predictable environment for economic activity between the Parties through such means as:
 - (i) reducing or eliminating customs duties and other barriers to trade in goods between the Parties;
 - (ii) improving customs clearance procedures with a view to facilitating bilateral trade in goods;
 - (iii) promoting paperless trading between the Parties;
 - (iv) facilitating the mutual recognition of the results of conformity assessment procedures for products or processes;
 - (v) removing barriers to trade in services between the Parties;
 - (vi) mutually enhancing investment opportunities and strengthening protection for investors and investments;
 - (vii) easing the movement of business people including professionals;
 - (viii) developing co-operation between the Parties in the field of intellectual property;
 - (ix) enhancing opportunities in the government procurement market; and

- (x) encouraging effective control of and promoting co-operation in the field of anti-competitive activities; and
- (b) to establish a co-operative framework for further strengthening the economic relations between the Parties through such means as:
 - (i) promoting regulatory co-operation in the field of financial services, facilitating development of financial markets, including capital markets in the Parties and in Asia, and improving the financial market infrastructure of the Parties;
 - (ii) promoting the development and use of information and communications technology (hereinafter referred to in this Agreement as “ICT”) and ICT-related services;
 - (iii) developing and encouraging co-operation in the field of science and technology;
 - (iv) developing and encouraging co-operation in the field of human resource development;
 - (v) promoting trade and investment activities of private enterprises of the Parties through facilitating their exchanges and collaboration;
 - (vi) promoting, particularly, trade and investment activities of small and medium enterprises of the Parties through facilitating their close co-operation;
 - (vii) developing and encouraging co-operation in the field of broadcasting; and
 - (viii) promoting and developing tourism in the Parties.

Article 2 Transparency

1. Each Party shall promptly make public, or otherwise make publicly available, its laws, regulations, administrative procedures and administrative rulings and judicial decisions of general application as well as international agreements which pertain to or affect the operation of this Agreement.
2. Each Party shall, upon request by the other Party, promptly respond to specific questions from, and provide information to, the other Party with respect to matters referred to in paragraph 1 above.

Article 3 Confidential Information

1. Nothing in this Agreement shall be construed to require a Party to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.
2. Nothing in this Agreement shall be construed to require a Party to provide information relating to the affairs and accounts of customers of financial institutions.
3. Each Party shall, in accordance with its laws and regulations, maintain the confidentiality of information provided in confidence by the other Party pursuant to this Agreement, including business-confidential information.

Article 4 Security and General Exceptions

1. Nothing in this Agreement shall be construed:
 - (a) to require a Party to furnish any information the disclosure of which it considers contrary to its essential security interests;
 - (b) to prevent a Party from taking any action which it considers necessary for the protection of its essential security interests:
 - (i) relating to fissionable and fusionable materials or the materials from which they are derived;
 - (ii) relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;
 - (iii) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;
 - (iv) relating to the procurement of arms, ammunition or war materials, or to procurement indispensable for national security or for national defence purposes; or
 - (v) taken in time of war or other emergency within that Party or in international relations; or
 - (c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

2. In the application of paragraph 1 above, the relevant interpretations and operation of the WTO Agreement shall, where appropriate, be taken into account.

3. Nothing in this Agreement shall be construed to prevent a Party from taking any action necessary to protect communications infrastructure of critical importance from unlawful acts against such infrastructure.

Article 5 Taxation

1. Unless otherwise provided for in this Agreement, its provisions shall not apply to any taxation measures.

2. Articles 2, 3 and 4 above shall apply to taxation measures, to the extent that the provisions of this Agreement are applicable to such taxation measures.

Article 6 Relation to Other Agreements

1. In the event of any inconsistency between this Agreement and any other agreement to which both Parties are parties, the Parties shall immediately consult with each other with a view to finding a mutually satisfactory solution, taking into consideration general principles of international law.

2. For the purposes of this Agreement, references to articles in the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement (hereinafter referred to in this Agreement as "GATT 1994") include the interpretative notes, where applicable.

Article 7 Implementing Agreement

The Parties shall conclude a separate agreement setting forth the details and procedures for the implementation of this Agreement (hereinafter referred to in this Agreement as "the Implementing Agreement").

Article 8 Supervisory Committee

1. A Supervisory Committee shall be established to ensure the proper implementation of this Agreement, to review the economic relationship and partnership between the Parties, and to consider the necessity of amending this Agreement for furthering its objectives.

2. The functions of the Supervisory Committee shall include:

- (a) reviewing the implementation of this Agreement;

- (b) discussing any issues concerning trade-related and investment-related measures which are of interest to the Parties;
- (c) encouraging each other to take appropriate measures which will lead to significant improvement of business environment between the Parties;
- (d) considering and recommending further liberalisation and facilitation of trade in goods and services, and investment;
- (e) considering and recommending ways of furthering the objectives of this Agreement through more extensive co-operation; and
- (f) considering and recommending, at any time and whether or not in the context of the general review provided for in Article 10, any amendment to this Agreement or modification to the commitments herein.

3. Where there are any amendments to the provisions of the WTO Agreement on which provisions of this Agreement are based, the Parties shall, through the Supervisory Committee, consider the possibility of incorporating such amendments to this Agreement.

4. The Supervisory Committee:

- (a) shall be composed of representatives of the Parties;
- (b) shall be co-chaired by Ministers or senior officials of the Parties as may be delegated by them for this purpose; and
- (c) may establish and delegate responsibilities to working groups.

5. To promote dialogue between the government, academia and business communities of the Parties, for the purpose of developing and enhancing the economic partnership between the Parties, the working groups may, where necessary, invite academics and business persons with the relevant expertise to participate in the discussions of the working groups.

6. The Supervisory Committee shall convene once a year in regular session alternately in each Party. Special meetings of the Supervisory Committee shall also convene, within 30 days, at the request of either Party.

Article 9 Communications

Each Party shall designate a contact point to facilitate communications between the Parties on any matter relating to this Agreement.

**Article 10
General Review**

The Parties shall undertake a general review of the operation of this Agreement in 2007 and every five years thereafter.

**CHAPTER 2
TRADE IN GOODS**

**Article 11
Definitions under Chapter 2**

For the purposes of this Chapter:

- (a) the term “originating goods of the other Party” means goods of the other Party which are treated as originating goods in accordance with Chapter 3;
- (b) the term “other duties or charges” means those provided for in sub-paragraph (b) of paragraph 1 of Article II of GATT 1994;
- (c) the term “customs value of goods” means the value of goods for the purposes of levying ad valorem customs duties on imported goods;
- (d) the term “transition period” means the period of 10 years immediately following the entry into force of this Agreement;
- (e) the term “serious injury” means a significant overall impairment in the position of a domestic industry;
- (f) the term “threat of serious injury” means serious injury that, on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent; and
- (g) the term “domestic industry” means the producers as a whole of the like or directly competitive good operating in the territory of a Party, or those whose collective output of the like or directly competitive good constitutes a major proportion of the total domestic production of the good.

**Article 12
Classification of Goods**

The classification of goods in trade between the Parties shall be in conformity with the Harmonized Commodity Description and Coding System (hereinafter referred to in this Agreement as “the Harmonized System”).