

HERBERT SMITH FREEHILLS WELCOMES SIGNING OF EXPANDED SINGAPORE- AUSTRALIA FTA

13 October 2016 | Australia / Singapore
News

Leading global law firm Herbert Smith Freehills has welcomed today's signing of an expanded Singapore-Australia Free Trade Agreement (SAFTA) by the Singaporean and Australian governments.

The expanded SAFTA includes measures to increase collaboration and business between the Australian and Singaporean legal sectors, including wider reciprocal recognition of legal qualifications granted in both countries.

The revised agreement follows the Third Review of the 2003 Singapore-Australia Free Trade Agreement (**SAFTA**), which concluded in May 2016 and recommended new trade, investment and business measures to strengthen the cultural and economic ties that already exist between the two nations.

Specifically, for the legal sector, the revised agreement provides:

- greater certainty for Australian lawyers and law firms operating in Singapore and Singapore law firms collaborating with Australian law firms, particularly in the ability to practise Singaporean law, to work in international commercial arbitration, and to take advantage of future legal market reforms.
- Singaporean recognition of Juris Doctor degrees awarded by Australian universities alongside undergraduate law degrees currently recognised under SAFTA, and Australian recognition of undergraduate and Juris Doctor law degrees awarded by Singapore universities, subject to applicable SAFTA conditions.

Sue Gilchrist, Herbert Smith Freehills' Regional Managing Partner, Asia & Australia, said:

"We welcome the new agreement and the greater certainty it will provide to law firms, such as Herbert Smith Freehills, that work alongside our clients in Singapore, and throughout Southeast Asia and the Asia-Pacific region.

"For individual lawyers, the agreement will simplify practice between jurisdictions, which can only lead to greater understanding and cooperation between the two economies, and more ease of doing business for our clients."

Investment into and through Southeast Asia has increased solidly over the last 12 months, with Singapore acting as the deal hub for the region, according to partner Nicola Yeomans, Herbert Smith Freehills' head of M&A in Southeast Asia, who is based in Singapore.

"Bilateral investment and cooperation between Australia and Southeast Asia now extends far beyond the traditional areas of energy and resources, into telecommunications, media, technology, pharma and consumer goods."

"With Singapore acting as the deal hub for so much of this new investment, the new agreement is very timely. It promises enhanced business and investment opportunities for our clients across sectors, as Australian businesses will be granted greater facilitated access to Singapore, to the mutual benefit of both economies," said Nicola.

Among the new provisions that will encourage bilateral investment under the expanded SAFTA:

- It will be easier for Australian and Singaporean service suppliers to work temporarily in each other's market.
- Australia will raise the Foreign Investment Review Board (FIRB) screening threshold for private Singaporean investment in non-sensitive sectors from A\$252 million to A\$1094 million, consistent with the Trans-Pacific Partnership and North Asian FTAs.
- Financial service providers will be able to provide a range of services on a cross-border basis, including investment advice, portfolio management services and maritime, aviation and transport insurance.
- Updated e-commerce/telecoms agreements allow the free flow of data across borders for service suppliers and investors, no customs duties on digital products, transparent and reasonable rates for international mobile roaming services, and commitments to protect privacy and consumer rights.

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Notes for editors

1. Singapore is Australia's fifth-largest trading partner, with two-way trade worth A\$28.5 billion in 2014-15. Read the full SAFTA announcement by The Prime Minister of Australia, The Hon Malcolm Turnbull MP.
2. Herbert Smith Freehills' heritage firm, Freehills, began working in Singapore in 1985, while Herbert Smith opened in 1995. Today's practice offers international law expertise in corporate, finance, projects and disputes matters from its Singapore office, assisting clients across Southeast Asia and around the globe.
3. Herbert Smith Freehills has some 1,500 lawyers in Asia Pacific, advising clients on complex corporate, disputes and finance matters from offices in Bangkok, Beijing, Hong Kong, Jakarta*, Seoul, Shanghai, Singapore and Tokyo, and in Australia, from Brisbane, Melbourne, Perth and Sydney.

* In Jakarta, Herbert Smith Freehills' international counsel practise alongside our affiliate firm, Hiswara Bunjamin & Tandjung, one of Indonesia's leading commercial and corporate law firms.

About Herbert Smith Freehills

Operating from over 26 offices across Asia Pacific, EMEA and North America, Herbert Smith Freehills is at the heart of the new global business landscape providing premium quality, full-service legal advice. We provide many of the world's most important organisations with access to market-leading dispute resolution, projects and transactional legal advice, combined with expertise in a number of global industry sectors, including energy, natural resources, infrastructure, technology and financial services. www.herbertsmithfreehills.com

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