European Parliament
2024-2029

TEXTS ADOPTED

P10_TA(2025)0267

Digital Trade Agreement between the European Union and the Republic of Singapore (Resolution)

European Parliament non-legislative resolution of 13 November 2025 on the proposal for a Council decision on the conclusion of the Agreement on Digital Trade between the European Union and the Republic of Singapore (05853/2025 – C10-0094/2025 – 2025/0009M(NLE))

The European Parliament,

– having regard to the Treaty on European Union, in particular Title V thereof on the Union's external action,

– having regard to the Treaty on the Functioning of the European Union (TFEU), in particular Article 207 in conjunction with Article 218(6)(a)(v) thereof,

– having regard to the draft Council decision on the conclusion of the Agreement on Digital Trade between the European Union and the Republic of Singapore (05853/2025),

– having regard to the Agreement on Digital Trade between the European Union and the Republic of Singapore, signed on 7 May 2025,

– having regard to the Commission proposal of 31 January 2025 for a Council decision on the conclusion, on behalf of the Union, of the Digital Trade Agreement between the European Union and the Republic of Singapore (COM(2025)0023),

– having regard to the request for consent submitted by the Council in accordance with Article 207(4), first subparagraph, and Article 218(6), second subparagraph, point (a) TFEU (C10-0094/2025),

– having regard to European Data Protection Supervisor Opinion 4/2025 on the Proposals for Council Decisions on the signing and conclusion, on behalf of the Union, of the Digital Trade Agreement between the European Union and the Republic of Singapore,

– having regard to the Free Trade Agreement (FTA) between the European Union and the Republic of Singapore[1] (Singapore), which entered into force on 21 November 2019,

– having regard to the Investment Protection Agreement between the European Union and its Member States, of the one part, and the Republic of Singapore, of the other part, to the conclusion of which the European Parliament gave its consent on 13 February 2019,

– having regard to the EU-Singapore Partnership and Cooperation Agreement, signed on 19 October 2018,

– having regard to Opinion 2/15 of the Court of Justice of the European Union of 16 May 2017[2] pursuant to Article 218(11) TFEU, requested by the Commission on 10 July 2015,

– having regard to the EU-Singapore Digital Trade Principles, a key deliverable of the EU-Singapore Digital Partnership[3],

– having regard to the Commission communication of 9 March 2021 entitled ‘2030 Digital Compass: the European Way for the Digital Decade’ (COM(2021)0118),

– having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 16 September 2021 entitled ‘The EU strategy for cooperation in the Indo-Pacific’ (JOIN(2021)0024),

– having regard to the Commission communication of 18 February 2021 entitled ‘Trade Policy Review - An Open, Sustainable and Assertive Trade Policy’ (COM(2021)0066),

– having regard to the joint communication from the Commission and the High Representative of the Union for Foreign Affairs and Security Policy of 20 June 2023 entitled ‘European economic security strategy’ (JOIN(2023)0020),

– having regard to the joint declaration by the European Parliament, the Council, and the European Commission of 23 January 2023

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1 Free Trade Agreement between the European Union and the Republic of Singapore (OJ L 294, 14.11.2019, p. 3, ELI: http://data.europa.eu/eli/agree_internation/2019/1875/oj).

2 Opinion 2/15 of the Court of Justice of 16 May 2017; ECLI:EU:C:2017:376.

3 EU-Singapore Digital Partnership, 2023, https://digital-strategy.ec.europa.eu/en/library/eu-singapore-digital-partnership.

entitled ‘European Declaration on Digital Rights and Principles for the Digital Decade’[4],

– having regard to its resolution of 13 February 2019 on the draft Council decision on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore[5],

– having regard to its resolution of 5 July 2016 on a new forward-looking and innovative future strategy for trade and investment[6],

– having regard to the World Trade Organization Joint Statement Initiative on Electronic Commerce,

– having regard to Council Decision (EU) 2022/1643 of 20 September 2022 on the signing, on behalf of the Union, of the Comprehensive Air Transport Agreement between the Member States of the Association of Southeast Asian Nations, and the European Union and its Member States[7],

– having regard to the Council decision of 22 December 2009 to pursue bilateral FTA negotiations with individual ASEAN member states, starting with Singapore,

– having regard to the negotiating mandates of 23 April 2007 for a region-to-region FTA with ASEAN member states,

– having regard to its legislative resolution of 13 November 2025[8] on the draft Council decision,

– having regard to Rule 107(2) of its Rules of Procedure,

– having regard to the report of the Committee on International Trade (A10-0190/2025),

A. whereas the EU and Singapore share important values, including democracy, the rule of law, respect for human rights and cultural and linguistic diversity and a strong commitment to open and rules-based trade and the multilateral trading system;

B. whereas this is the first stand-alone digital trade agreement that the EU has concluded with a partner country, and also the first bilateral digital trade agreement concluded between the EU and an ASEAN member state; whereas it thus represents an important stepping stone towards raising the ambition of digital trade rules globally, in particular throughout the Indo-Pacific region, by setting standards

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[4] OJ C 23, 23.1.2023, p. 1.
[5] OJ C 449, 23.12.2020, p. 341.
[6] OJ C 101, 16.3.2018, p. 30.
[7] OJ L 248, 26.9.2022, p. 1, ELI: http://data.europa.eu/eli/dec/2022/1643/oj.
[8] Texts adopted, P10_TA(2025)0266.

for digital trade, data flows, data protection and consumer rights online; whereas the agreement will also serve as a benchmark for the agreements the EU is currently negotiating with other Southeast Asian economies;

C. whereas in 2024, Singapore was the EU's 21st largest trading partner worldwide for trade in goods and its second-largest trading partner in the ASEAN countries, accounting for 1 % of the EU's total trade in goods, while the EU was Singapore's fifth-largest trading partner, accounting for 7,9 % of the country's trade in goods, which is slightly less than one third of EU-ASEAN trade in goods and services and roughly two thirds of the total amount of investment between the two regions;

D. whereas Singapore is a major destination for European investment in Asia and the largest Asian investor in the EU; whereas in 2023, the stock of EU foreign direct investment (FDI) in Singapore amounted to EUR 262,9 billion, making the EU the second largest source of FDI in Singapore, and the stock of Singapore's FDI in the EU was EUR 313,5 billion, continuing the expansionary trend observed in previous years;

E. whereas in 2023, EU-Singapore trade in services amounted to EUR 80,6 billion;

F. whereas Singapore is a party to the Comprehensive and Progressive Trans-Pacific Partnership and to the Regional Comprehensive Economic Partnership;

G. whereas Singapore ranks among the easiest countries in the world to do business with, and is one of the world's most competitive and least corrupt economies;

H. whereas digital trade accounts for around 25 % of all international trade and over half of international trade in services and has been growing at a faster pace than traditional trade; whereas the EU is the world's leader in both exports and imports of digitally deliverable services;

I. whereas the current bilateral trade relationship between the EU and Singapore, underpinned by the EU-Singapore FTA, needs to be deepened with and supported by updated digital rules;

J. whereas the EU trade policy review of 2021 recognised the contribution of the EU's digital trade policy to the EU's digital transformation and led to the announcement of the EU's intention to step up bilateral engagement and explore stronger frameworks for cooperation on trade-related digital issues with like-minded partners; whereas pursuing partnerships with like-minded countries is also consistent with the objective of the 2023 EU economic security strategy;

K. whereas the EU strategy for cooperation in the Indo-Pacific recognised that the region is at the forefront of the digital economy and proposed establishing digital partnerships with key partners in the region, including with Singapore;

L. whereas this agreement aligns with the EU's goal to establish modern digital trade rules with its global partners, as demonstrated in the digital trade chapters of recent FTAs with the UK, Chile and New Zealand, as well as the cross-border data flows agreement with Japan;

M. whereas the Digital Trade Agreement between the EU and Singapore seeks to enhance consumer trust in the digital marketplace by improving access to information, safety and redress mechanisms, while providing businesses with predictability and legal certainty;

N. whereas small and medium-sized enterprises (SMEs), which have been shown to be able to benefit from digitalisation, often face more barriers in the digital economy and for digital trade than larger firms, due to a lack of resources, skills and financing;

O. whereas privacy and data protection are distinct but interrelated fundamental rights enshrined in the Charter of Fundamental Rights of the European Union; whereas the EU's digital trade policy must safeguard both rights on their own terms;

P. whereas no impact assessment has been conducted on how digital trade agreements might affect existing regulations or the need for future ones;

Q. whereas several civil society organisations and data protection experts have raised concerns about EU regulatory autonomy with regard to the digital trade provisions, especially on data flows and source code; whereas these concerns should be addressed in the implementation of the agreement;

R. whereas the European Data Protection Supervisor (EDPS) recommended that the Digital Trade Agreement between the EU and Singapore be amended to clarify that each party may adopt and maintain the safeguards it deems appropriate to ensure the protection of personal data and privacy, including through rules for the cross-border transfer of personal data, to explicitly clarify that nothing in the agreement should affect the protection of personal data and privacy afforded by the parties' respective safeguards and that 'legitimate public policy objectives' allowing regulatory authorities to require access to source code include not only the ones currently listed in the agreement, but also the protection of natural persons with regard to the processing of personal data;

1. Welcomes the signing, in Singapore on 7 May 2025, of the Digital Trade Agreement between the EU and Singapore;

2. Notes that the agreement lays down binding rules on trade in goods and services enabled by electronic means; acknowledges that these rules will further enhance bilateral trade relations between the EU and Singapore, fostering consumer confidence and providing predictability and legal certainty for businesses involved in digital trade;

3. Recalls that this agreement should benefit consumers, citizens, workers and SMEs and that all entities operating in the single market must adhere to EU regulations, complying with the highest standards in fundamental rights, including labour and digital rights, and market fairness, thus promoting confidence in the digital economy; notes the concerns expressed by civil society organisations that the safeguards for those rights are potentially insufficient;

4. Recalls that the agreement applies to all types of trade enabled by electronic means and aims to guarantee predictability and legal certainty for online trade, while preserving policy space for the parties, as the agreement aims to uphold the EU’s stringent standards for personal data and privacy protection and both parties retain the right to implement and maintain measures to safeguard personal data and privacy;

5. Notes that the EDPS opinion highlights the fact that the protection of personal data is a fundamental right in the Union and that it cannot be subject to negotiations in the context of EU trade agreements; recalls the Union’s horizontal provisions agreed between Parliament, the Council and the Commission, which allow negotiations on data flows only insofar as they do not compromise the EU’s ability to safeguard privacy and personal data for cross-border data flows and the protection of personal data and privacy; notes, furthermore, the concerns raised by the EDPS regarding the absence of legally binding language equivalent to the horizontal provisions on cross-border data flows and the protection of personal data and privacy adopted by the EU in 2018;

6. Stresses that this agreement will facilitate electronic transactions by introducing electronic signatures and electronic authentication, and promote a safe online environment by ensuring consumer protection and protecting consumers’ data; underlines, in this context, the need to guarantee consumer protection in both the online and offline economy; considers, furthermore, that the agreement will create legal certainty for businesses through source code protection and by prohibiting forced technology transfer, while improving access to electronic commerce and simplifying digital trade by reducing the administrative burden for e-commerce by enabling e-invoicing and paperless trading; welcomes the fact that this agreement encourages regulatory cooperation on issues related to digital trade, in order to promote the development of digital trade and to ensure digital inclusion for SMEs; underlines that it is vital for this agreement to be

complemented with technical and regulatory conditions that make digital trade accessible to the widest possible range of actors, in particular to ensure that SMEs can benefit from the agreement; recognises, in particular, the need to reduce the administrative burden for SMEs, which is essential for their competitiveness in digital markets; welcomes this agreement, which should work as a first step towards removing barriers and challenges faced by SMEs and facilitate digital trade;

7. Highlights the fact that the provisions of the agreement on unsolicited commercial electronic messages should in the future further expand the definition of spam to include all communications, in order to future-proof the provisions from emerging technologies, while also addressing the existing issue of telemarketing calls;

8. Highlights the fact that the implementation of this agreement must fully respect current and future EU data privacy, personal data, consumer protection and AI regulations and should not weaken the EU's ability to maintain regulatory authority, enforce laws, and safeguard fundamental rights; stresses the need to enable the regulatory bodies' ability to ensure that companies comply with EU legislation, such as the AI Act[9], guarantee the full enforcement of its digital laws and safeguard citizens' rights, thus reinforcing consumer safety and trust; calls for the establishment of disciplines to prohibit forced technology transfer of intellectual property rights in the source code;

9. Welcomes the fact that the cross-border data flow provisions in the agreement apply to all sectors in order to ensure that data flows freely; underlines that these provisions build on established practice and are accompanied by regulatory policy space in order for regulators and supervisors to exercise their right to ensure the protection of data and privacy and to protect other public policy objectives;

10. Stresses the need to protect the EU framework on data and digital rights, as indicated in the European Declaration on Digital Rights and Principles for the Digital Decade; underlines that the agreement's provisions on free data flows need to be implemented in accordance with the current level of protection in the EU to ensure robust protection of personal data;

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[9] Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828 (Artificial Intelligence Act) (OJ L, 2024/1689, 12.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1689/oj).

11. Acknowledges that the provisions on source code in this agreement are slightly more advanced compared to previous agreements, further strengthening the role of source code protection; considers this vital in order to protect small and medium-sized enterprises and start-ups against forced technology transfers; emphasises the importance of ensuring SMEs can effectively participate in digital trade and benefit from fair market access; recalls, in this regard, the EU’s strategic objectives of further industrialisation and technological sovereignty; underlines, however, the simultaneous need for regulatory oversight and policy space; stresses the need to ensure that the agreement does not jeopardise the enforcement of the EU’s digital rules; notes that, while the agreement bans foreign demands for EU companies’ source code to prevent intellectual property theft, there are concerns that the current wording may limit regulators’ ability to enforce laws like the AI Act; stresses that intellectual property protection must not come at the expense of effective enforcement of EU law;

12. Stresses that the EU should act as a global standard-setter for rights-based digital governance;

13. Stresses the strategic importance of this agreement, given Singapore’s position as a gateway to the wider ASEAN region and recognises that this agreement’s impact extends beyond the EU; emphasises the need for strong provisions on source code and data flows to protect digital rights; considers this agreement to be a milestone in the EU’s ambition to shape global rules for digital trade, enabling the EU to advance its vision for the digital economy; notes the Republic of Singapore’s previous experience in concluding bilateral agreements on digital trade;

14. Underlines the significance of concluding bilateral agreements in the current geopolitical climate; calls, in this context, on the Commission and the Member States to explore possibilities for further digital trade agreements with other partners;

15. Recalls that the opinion of the EDPS includes recommendations regarding specific wording on personal data and privacy that should be taken into account in future digital trade agreements to reinforce EU laws protecting privacy and related to data protection in cases of trade disputes; calls on the Commission to consider ways in which it could complement the Digital Trade Agreement between the European Union and the Republic of Singapore; calls on the Commission to derive insights from these recommendations when implementing this agreement and when drafting future digital trade agreements;

16. Notes that no legal analysis on the compatibility of the Digital Trade Agreement between the EU and Singapore or any other such agreement with existing EU regulations has been conducted; calls, in

this regard, on the Commission to conduct an ex post evaluation of this agreement and of the impact of its provisions on the regulatory space of the EU; calls on the Commission to report to the European Parliament on the implementation of the agreement;

17. Calls on the Commission to ensure a modern EU digital trade framework by developing a future-proof digital trade policy that safeguards regulatory autonomy, ensures democratic oversight and adapts to technological change;

18. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States and the Government and Parliament of the Republic of Singapore.