



Trade and investment relationship with Australia

Two-way trade A\$52.9b (2022)	Two-way investment: A\$225b (2022)	Students 6,185 (2022)	Visitors 295,810 (2022)
Two-way trade in goods A\$38.8b (2022)	AUS investment in Singapore: A\$76b (2022)		
Two-way trade in services: A\$14.1b (2022)	Singapore investment in AUS: A\$149b (2022)	Diaspora 59,190 (2021)	Outbound visitors 226,070 (2022)

Multilateral/Regional	Bilateral
WTO - member; APEC - member; CPTPP - party; RCEP - party; AANZFTA - party; IPEF - founding member	Comprehensive Strategic Partnership; Singapore- Australia Free Trade Agreement; Australia-Singapore Digital Economy Agreement; Singapore-Australia Green Economy Agreement

Diplomatic and economic relations

As active partners with two of the most open economies in the region, Australia and Singapore's relationship will deepen even further with the next iteration of the Comprehensive Strategic Partnership (2025–2035). The two countries uphold global trade rules and set standards that deliver outcomes for the region, including through regional forums (for example, ASEAN and APEC) and are signatories to regional free trade agreements and originators of a bilateral Digital Economy Agreement and Green Economy Agreement. Singapore is Australia's fifth-largest trading partner and fifth-largest source of foreign investment. Beyond its domestic market, Singapore offers significant opportunities for Australian industries to leverage its role as a maritime, aviation, financial and commercial hub to expand into the region.

Outlook to 2040

Singapore's economic trajectory to 2040 is anticipated to be steady. It will remain the commercial hub for Southeast Asia for financial services, investment, trading, logistics, shipping, digital economy and connectivity, and green services and technology. Real GDP is projected to reach 2.7 per cent in the next five years, before falling to 1.4 per cent by 2040. By 2040, the Tuas port is expected to be the world's largest fully automated port, doubling the capacity of Singapore's current port, which already handles 12 per cent of world shipping trade. Singapore's reputation as one of the easiest places to do business, set up headquarters and resolve investor disputes is unlikely to be challenged.

Sectors to watch

Agriculture and food

Singapore's interests in food security will continue to drive agricultural trade. Singapore imports over 90 per cent of its agricultural needs and Australia is a trusted and reliable food partner. Australia and Singapore are negotiating a 'Food Pact' to increase the flow of Australian food to Singapore and into the region, shore up Singapore's food security and position it as a hub for food products.

Resources

Over 95 per cent of Singapore's electricity is generated from imported natural gas. To achieve its net zero target, renewable energy will become increasingly important. Singapore seeks to have 50 per cent of its domestic electricity powered by clean hydrogen by 2050. As a leading maritime bunkering and air hub, Singapore will play a key role in shaping global transitions to green shipping and aviation.

Green energy transition

Singapore is targeting net zero by 2050 and seeks to be a regional hub for green finance and carbon markets. The Green Economy Agreement provides for cross-border economy activities that drive green growth and facilitate flows of environmental goods and services, green and transition finance, and clean energy.

Digital economy

Singapore is first in Asia for digital readiness. The Digital Economy Agreement will advantage Australian businesses with a framework for cooperation on artificial intelligence, data protection and trade facilitation.

Singapore action plan



Raise awareness

- Establish an outward investment mission program targeting institutional investors to deepen understanding of opportunities in Singapore
- Showcase opportunities and create partnerships on inward investment, including in renewable energy, critical minerals and food
- Encourage board meetings for Australian investors to be held in Singapore
- With the private sector, keep the Singapore–Australia Green Economy Agreement on the cutting edge of net zero economic cooperation (including with AustCham Singapore)
- Attract more tertiary, VET, English-language and school students from Singapore
- Regularise and expand bilateral finance dialogue



Remove blockages

- Encourage cooperation in recognition of qualifications between Singapore and Australia
- Build on the Singapore–Australia Digital Economy Agreement with practical cooperation initiatives focused on delivering industry needs
- Draw on the Singapore–Australia ‘Food Pact’ to recognise systems for more seamless and cost-competitive trade in Australian food products
- Monitor and eliminate non-tariff barriers, including on environmental goods and services under the Green Economy Agreement
- Facilitate commercial education and training matching between Australian providers and Singaporean institutions and businesses
- Advocate for removal of regulatory barriers to Australian universities in Singapore
- Cooperate on hydrogen, including technology, commercialisation, investment and standards



Build capability

- Work with partners, including AustCham Singapore and state and territory partners, to produce investment guides on Singapore
- Facilitate connections between startups to identify opportunities for Australian expertise in fintech, regtech, healthtech and edtech
- Deepen cooperation on new technology and regulatory standards for carbon capture, utilisation and storage
- Cooperate on LNG technology to lower emissions
- Use the Green Economy Agreement to:
 - expand institutional partnerships and technical assistance
 - create new frameworks for cross-border trade in electricity
 - build interoperability between green finance taxonomies
 - seek new areas for green economy collaboration
- Enhance information sharing on infrastructure projects, including privatisation opportunities
- Connect alumni with Australian and Singaporean businesses
- Encourage co-productions in the film and digital games industries



Deepen investment

- Accelerate development of Australia's single trade window, and its interoperability with Singapore's system
- Encourage greater investment in food and supply chains
- Explore solutions with the private sector to reduce the cost of freight for Australian products
- Continue to facilitate investor interest in Australian resources, like LNG and critical minerals
- Increase SME-to-SME linkages and exchanges, including via the Green Economy Agreement Go-Green Co-innovation Program grants focused on SMEs
- Facilitate business matching to encourage joint venture investments in regional infrastructure
- Establish the new green and digital shipping corridor with Singapore by 2025, with associated investment in both countries
- Deepen cooperation in health and medical sectors