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2018/0096 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, of 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

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The dynamically growing Southeast Asian economies, with their over 600 million consumers and a rapidly rising middle class, are key markets for European Union exporters and investors. With a total € 208 billion of trade in goods and € 77 billion of trade in services (2016), the Association of Southeast Asian Nations (ASEAN) taken as a whole is the EU's third largest trading partner outside Europe, after the US and China. At the same time, a total € 263 billion foreign direct investment stock (2016) in the ASEAN makes the EU the first foreign direct investor in the ASEAN, while the ASEAN as a whole is in its turn the second largest Asian foreign direct investor in the EU – with a total foreign direct investment stock of € 116 billion (2016).

Within the ASEAN, Singapore is by far the EU's largest partner, accounting for slightly under one-third of EU-ASEAN trade in goods and services, and roughly two-thirds of investments between the two regions. Over 10,000 EU companies are established in Singapore and use it as a hub to serve the whole Pacific Rim.

On 23 April 2007, the Council authorised the Commission to enter into negotiations for a region-to-region Free Trade Agreement (FTA) with Member States of the ASEAN. It being understood that the objective was to negotiate a region-to-region FTA, the authorisation provided however for the possibility of bilateral negotiations in the event that it was not possible to reach an agreement to negotiate jointly with a grouping of Member States of the ASEAN. In light of difficulties encountered in the region-to-region negotiations, both sides acknowledged that an impasse had been reached and agreed to pause these.

On 22 December 2009, the Council agreed on the principle of launching bilateral negotiations with individual ASEAN Member States, based on the authorisation and negotiating directives of 2007, whilst preserving the strategic objective of a region-to-region agreement. The Council also authorised the Commission to start bilateral negotiations on a free trade agreement with Singapore, which would serve as a first step towards the objective of the timely launch of such negotiations with other relevant ASEAN Member States. Bilateral negotiations with Singapore commenced in March 2010 and the EU has since opened bilateral FTA negotiations with other ASEAN Member States: Malaysia (2010), Vietnam (2012), Thailand (2013), the Philippines (2015) and Indonesia (2016).

On 12 September 2011 the Council authorised the Commission to extend the on-going negotiations with Singapore to cover also investment protection, based on a new EU competence under the Lisbon Treaty.

On the basis of the negotiating directives adopted by the Council in 2007, and supplemented in 2011 to include investment protection, the Commission has negotiated with the Republic of Singapore an ambitious and comprehensive FTA and an Investment Protection Agreement (IPA), with a view to creating new opportunities and legal certainty for trade and investment between both partners to develop. The legally reviewed texts of the agreements have been made public and can be found on the following link:

http://ec.europa.eu/trade/policy/countries-and-regions/countries/singapore/

The Commission is putting forward the following proposals for Council decisions:

– Proposal for a Council Decision on the signing, on behalf of the European Union, of the Free Trade Agreement between the European Union and the Republic of Singapore;

– Proposal for a Council Decision on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore;

– Proposal for a Council Decision on the signing, on behalf of the European Union, of 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;

– Proposal for a Council Decision on the conclusion of 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.

In parallel to these proposals, the Commission will put forward a proposal for a horizontal safeguard regulation that will cover the EU-Singapore FTA among other agreements.

The attached proposal for a Council Decision constitutes the legal instrument authorising the signing, on behalf of the European Union, of 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;

- **Consistency with existing policy provisions in the policy area**

The negotiation of the FTA and the IPA was accompanied by the negotiation in parallel, by the European External Action Service, of a Partnership and Cooperation Agreement (PCA) between European Union and its Member States and the Republic of Singapore, which was initialled in October 2013. Once in force, the PCA will provide the legal framework to further develop the already longstanding and strong partnership between the EU and Singapore, in a broad range of areas, including political dialogue, trade, energy, transport, human rights, education, science and technology, justice asylum and migration.

The EU and Singapore's longstanding trade and economic relationship has until now developed in the absence of a specific legal framework. The FTA and IPA that have been negotiated will constitute specific agreements giving effect to the trade and investment provisions of the PCA and will be an integral part of the overall bilateral relations between the EU and Singapore.

From the date of its entry into force, the EU-Singapore IPA will replace and supersede the bilateral investment treaties between the Republic of Singapore and EU Member States that are listed in Annex 5 (Agreements Referred to in Article 4.12) to the IPA.

- **Consistency with other Union policies**

The EU-Singapore FTA and IPA are fully consistent with Union policies and will not require the EU to amend its rules, regulations or standards in any regulated area (e.g. technical rules and product standards, sanitary or phytosanitary rules, regulations on food and safety, health and safety standards, rules on GMO's, environmental protection, consumer protection, etc.).

Furthermore, like all other trade and investment agreements the Commission has negotiated, the EU-Singapore FTA and IPA fully safeguard public services and ensure that governments'

right to regulate in the public interest is fully preserved by the agreements and constitutes a basic underlying principle to them.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

• Legal basis

In July 2015, the Commission seized the Court of Justice of the EU for an Opinion under Article 218(11) TFEU on whether the Union had the necessary competence to sign and conclude alone the agreement that had been negotiated with Singapore, or whether the participation of the EU Member States would be necessary, or at least possible, in respect of certain matters.

In its Opinion 2/15 of 16 May 2017, the Court confirmed the EU's exclusive competence with regard to all matters covered by the agreement that had been negotiated with Singapore, except for non-direct investment and investor-to-state dispute settlement where the Member States are defendants that the Court considered to be of shared competence of the EU and the Member States. The text on investor-to-state dispute settlement was subsequently replaced by the Investment Court System in the IPA. The Court drew the EU exclusive competence from the scope of the Common Commercial Policy under Article 207(1) TFEU and from Article 3(2) TFEU (based on the affectation of existing common rules contained in secondary legislation).

In view of the Court Opinion, and in light of the wide-ranging discussions on the architecture with the Council and the European Parliament following the Opinion, the initially negotiated text has been adjusted to create two self-standing agreements: an FTA and an IPA.

According to the Opinion 2/15, all the areas covered by the EU-Singapore FTA fall within the competence of the EU and, more particularly, within the scope of Articles 91, 100(2) and 207 TFEU. All substantive provisions on investment protection under the IPA, to the extent that these apply to foreign direct investment, are covered under Article 207 TFEU.

The EU-Singapore FTA is to be signed by the Union pursuant to a decision of the Council based on Article 218(5) TFEU and concluded by the Union pursuant to a decision of the Council based on Article 218(6) TFEU, following the European Parliament's consent.

The EU-Singapore IPA is to be signed by the Union pursuant to a decision of the Council based on Article 218(5) TFEU and concluded by the Union pursuant to a decision of the Council based on Article 218(6) TFEU, following the European Parliament's consent and ratification by the Member States in accordance with their respective internal procedures.

• Subsidiarity (for non-exclusive competence)

As confirmed by Opinion 2/15, the EU-Singapore FTA as presented to Council does not cover any matters that fall outside of the EU's exclusive competence.

With regard to the IPA, the Court confirmed that, pursuant to Article 207 TFEU, the EU has exclusive competence with regard to all substantive provisions on investment protection, to the extent that these apply to foreign direct investment. The Court further confirmed the EUs exclusive competence with regard to the state-to-state dispute settlement mechanism in relation to investment protection. Finally, the Court stated that the EU has shared competence with regard to non-direct investment and investor-to-state dispute settlement (replaced later on

by the Investment Court System in the IPA), where the Member States act as defendants.[1] These elements cannot be separated in any coherent way from the substantive provisions or the state-to-state dispute settlement and hence should be included in EU-level agreements.

- **Proportionality**

This proposal is in line with the vision of the Europe 2020 strategy and contributes to the EUs trade and development objectives.

- **Choice of the instrument**

This proposal is in accordance with Article 218 TFEU, which envisages the adoption by the Council of decisions on international agreements. There exists no other legal instrument that could be used in order to achieve the objective expressed in this proposal.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

After negotiations with Singapore were for its most part completed, an in-house team led by DG Trade's Chief Economist carried out a study of the economic benefits to be expected from the agreement. The analysis predicts that EU exports to Singapore could rise by some € 1.4 billion over a 10-year period, while Singapore's exports to the EU could grow by € 3.5 billion – a figure which includes shipments from the many EU subsidiaries in Singapore back to the EU.

Given the large difference in size of the two economies, as well as the relative openness of Singapore's economy, it is inevitable that the benefits of the agreement for the partners differ. The analysis predicts that EU real GDP could grow by around € 550 million over a 10-year period, whilst Singapore's economy could grow by € 2.7 billion over the same period.

These estimates on the possible economic impact are deemed conservative given the difficulty to precisely quantify the effects of the removal of non-tariff barriers, which is a key component of the agreement.

In view of Singapore's role as the hub for trade in goods and services between Europe and Southeast Asia, it is also likely that the gains from the agreement would grow further if and when the EU concludes agreements with other ASEAN Member States.

Moreover, estimates based on economic modelling cannot account for the strategic value of the EU-Singapore FTA and IPA for the EU as crucial agreements for the EU's wider agenda in the ASEAN region, and in Asia as a whole. Following the EU-Korea FTA, the EU-Singapore FTA will be the EU's second high calibre trade agreement with a key Asian partner, while the EU-Singapore IPA will be in its turn the first investment protection agreement the EU enters into with an Asian partner.

- **Stakeholder consultations**

Prior to the launch of bilateral negotiations with Singapore, a Trade Sustainability Impact Assessment (TSIA) of the FTA between the EU and the ASEAN[2] was conducted by an external contractor to study the potential economic, social and environmental impact of a closer economic partnership between both regions.

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1 See the clarification in the judgement of the Court of Justice of the European Union in Case C-600/14 Germany vs Council (Judgment of 5 December 2017) paragraph 69.

2 http://trade.ec.europa.eu/doclib/html/145989.htm

In the framework of the preparation of the TSIA, the contractor consulted internal and external experts, organised public consultations in Brussels and in Bangkok, and held bilateral meetings and interviews with civil society in the EU and in ASEAN. Consultations in the framework of the TSIA provided a platform for the involvement of key stakeholders and the civil society in a dialogue on trade policy in relation to Southeast Asia.

Both, the TSIA report and the consultations held in the context of its preparation, provided the Commission with input that has been of great value in all bilateral trade and investment negotiations launched since with individual ASEAN Member States.

In addition, prior to the launch of bilateral negotiations with Singapore, the Commission conducted a public consultation on the future agreement that included a questionnaire prepared to obtain information from stakeholders that later helped the Commission in establishing priorities and taking decisions throughout the negotiating process. A summary of the results of the consultation was made public.[3]

Also, prior and during negotiations, the EU Member States were regularly informed and consulted orally and in writing on the different aspects of the negotiation via the Council's Trade Policy Committee. The European Parliament was also regularly informed and consulted via its Committee on International Trade (INTA), and notably its EU-Singapore FTA Monitoring Group. The texts progressively resulting from the negotiations were circulated throughout the process to both institutions.

- **Collection and use of expertise**

A Trade Sustainability Impact Assessment of the FTA between the EU and ASEAN was carried out by the external contractor "Ecorys".

- **Impact assessment**

The TSIA, conducted by an external contractor and finalised in 2009, concluded that an ambitious EU-ASEAN FTA would deliver important positive impacts (in terms of GDP, income, trade and employment) for both the EU and Singapore. National income effects on the EU side were estimated at € 13 billion and for Singapore at € 7.5 billion. These figures could underestimate the impact, as they were based on trade patterns in 2007, and trade has grown substantially since (+32%).

- **Regulatory fitness and simplification**

The EU-Singapore FTA and IPA are not subject to REFIT procedures. They nevertheless contain a number of provisions that will simplify trade and investment procedures, reduce export and investment related costs and will therefore enable more small firms to do business in both markets. Among the expected benefits are: less burdensome technical rules, compliance requirements, customs procedures and rules of origin, the protection of intellectual property rights, or the reduction in cost of litigation under the Investment Court System for claimants that are SMEs.

- **Fundamental rights**

The proposal does not affect the protection of fundamental rights in the Union.

4. BUDGETARY IMPLICATIONS

The EU-Singapore FTA will have a financial impact on the EU budget on the side of the **revenues**. It is estimated that foregone duties could reach an amount of € 248.8 million upon

[3] http://trade.ec.europa.eu/doclib/html/153666.htm

full implementation of the agreement. The estimate is based on average imports projected for 2025 in the absence of an agreement and represents the annual loss in revenues resulting from the elimination of EU tariffs on imports from Singapore.

The EU-Singapore IPA is expected to have a financial impact on the EU budget on the side of the **expenditures**. The agreement will be the EU's second (after the EU-Canada Comprehensive Economic and Trade Agreement) to incorporate the Investment Court System (ICS) for the resolution of disputes between investors and states. An amount of € 200,000 of additional yearly expenditure is foreseen from 2018 onwards (subject to the entry into force of the agreement) to finance the permanent structure comprising a First Instance and an Appeal Tribunal. At the same time, the agreement entails the use of administrative resources under budget line XX 01 01 01 (Expenditure related to officials and temporary staff working with the Institution), considering that it is estimated that one Administrator will be dedicated as full-time equivalent to the tasks inherent to this agreement. This is indicated in the Legislative Financial Statement and is subject to the conditions mentioned in it.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The EU-Singapore FTA and IPA include institutional provisions that lay down an implementing bodies' structure to continuously monitor the implementation, operation and impact of the agreements. The agreements being an integral part of the overall bilateral relation between the EU and Singapore as governed by the PCA, the mentioned structures will form part of a common institutional framework with the PCA.

The institutional chapter of the FTA establishes a Trade Committee that has as its main task to supervise and facilitate the implementation and application of the agreement. The Trade Committee is comprised of representatives of the EU and of Singapore who will meet every two years or at the request of either side. The Trade Committee will be in charge of supervising the work of all specialised committees established under the agreement (Committee on Trade in Goods; Committee on Sanitary and Phytosanitary Measures; Committee on Customs; and Committee on Trade in Services, Investment and Government Procurement).

The Trade Committee has also the task to communicate with all interested parties, including private sector and civil society, in relation to the functioning and implementation of the agreement. In the agreement, both sides recognise the importance of transparency and openness and commit to consider the views of members of the public in order to draw on a broad range of perspectives in the implementation of the agreement.

The institutional chapter of the IPA establishes a Committee with the main task to supervise and facilitate the implementation and application of the agreement. Among other tasks, the Committee may, subject to the completion of each side's respective legal requirements and procedures, decide to appoint the Members of the ICS Tribunals, fix their monthly retainer and fees, and adopt binding interpretations of the agreement.

As emphasised in the "Trade for All" Communication, the Commission is dedicating increasing resources to the effective implementation and enforcement of trade and investment agreements. In 2017, the Commission published the first annual FTA Implementation Report. The main purpose of the report is to convey an objective picture on the implementation of EU FTAs, highlighting the progress made and the shortcomings that need to be addressed. The objective is for the report to serve as the basis for open debate and engagement with Member States, the European Parliament and the civil society at large on the functioning of the FTAs

and their implementation. As an annual exercise, the publication of the report will allow regular monitoring of developments, registering also how identified priority issues have been addressed. The report will cover the EU-Singapore FTA as of its entry into force.

- **Explanatory documents (for directives)**

Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

The **EU-Singapore FTA** establishes the conditions for EU economic operators to take full advantage of the opportunities created in Singapore as the business and transport hub of Southeast Asia.

In negotiating this agreement, the Commission pursued two principal objectives: first, to provide the best possible terms of access for EU operators to Singapore's market; and, second, to set a valuable point of reference for the EU's other negotiations in the region.

Both of these objectives have been fully met: the agreement goes beyond existing WTO commitments in many areas, such as services, procurement, non-tariff barriers and the protection of intellectual property including geographical indications (GI). In all of these areas Singapore also agreed to new commitments which go significantly above what Singapore has so far been willing to accept, including in its FTA with the United States.

The agreement satisfies the criteria of Article XXIV GATT (to eliminate duties and other restrictive regulations of commerce with respect to substantially all trade in goods between the parties) as well as of Article V GATS, which provides for a similar test with respect to services.

In line with the objectives set by the negotiating directives, the Commission secured:

(1) the comprehensive liberalisation of services and investment markets, including cross-cutting rules on licensing and for the mutual recognition of diplomas, and sector-specific rules designed to ensure a level playing field for EU businesses;

(2) new tendering opportunities for EU bidders, and especially in the utilities market where there are many leading EU suppliers;

(3) the removal of technical and regulatory trade barriers to trade in goods, such as duplicative testing, in particular by promoting the use of technical and regulatory standards familiar in the EU in the sectors of motor vehicles, electronics, pharmaceuticals and medical devices as well as green technologies;

(4) based on international standards, a more trade-facilitative regime for the approval of European meat exports to Singapore;

(5) Singapore's commitment not to raise its tariffs (which are currently mostly not applied on a voluntary basis) on imports from the EU, as well as cheaper access of European businesses and consumers to products made in Singapore;

(6) a high level protection of intellectual property rights, including with regard to the enforcement of these rights, including at the border;

(7) a TRIPs-plus level of protection to EU GIs following their registration in Singapore once Singapore has established a GI register (which it has committed to do following the European Parliament's consent to the FTA);

(8) a comprehensive chapter on trade and sustainable development, which aims at ensuring that trade supports environmental protection and social development and promotes the sustainable management of forests and fisheries. The chapter also sets

out how social partners and civil society will be involved in its implementation and monitoring;

(9) a swift dispute resolution mechanisms through either panel arbitration or with the help of a mediator; and

(10) a comprehensive and novel chapter to promote new opportunities in the "green growth sector", in line with the EUs 2020 strategy.

The **EU-Singapore IPA** will ensure a high level of investment protection, while safeguarding the EU's and Singapore's rights to regulate and pursue legitimate public policy objectives such as the protection of public health, safety and the environment.

The agreement contains all the innovations of the EU's new approach to investment protection and its enforcement mechanisms that are not present in the 12 existing bilateral investment treaties between Singapore and EU Member States. It is a very important feature of the IPA that it replaces and hence improves the 12 existing bilateral investment treaties.

In line with the objectives set by the negotiating directives, the Commission ensured that EU investors and their investments in Singapore will be granted fair and equitable treatment and not be discriminated against compared to Singaporean investments that are in like situations. At the same time, the IPA protects EU investors and their investments in Singapore from expropriation, unless it is for public purposes, in accordance with due process, on a non-discriminatory basis and against payment of prompt, adequate, and effective compensation according to fair market value of the expropriated investment.

Also in line with the negotiating directives, the IPA negotiated by the Commission will offer investors the option of a modern and reformed investment dispute resolution mechanism. This system ensures that investment protection rules are adhered to and seeks to strike a balance between protecting investors in a transparent manner and safeguarding the right of a State to regulate in order to pursue public policy objectives. The agreement sets up a standing international and fully independent dispute resolution system, consisting of permanent First Instance and Appeal Tribunals that will conduct dispute settlement proceedings in a transparent and impartial manner.

The Commission is mindful of the balance to be struck between moving forward with the reformed EU investment policy and the sensitivities of the Member States as regards the possible exercise of shared competence on these matters. The Commission has not, therefore made a proposal to provisionally apply the investment protection agreement. Nonetheless, should Member States wish to see a proposal for provisional application of the investment protection agreement, the Commission stands ready to make such a proposal.

2018/0096 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union, of 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

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207, in conjunction with Article 218(5) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) On 23 April 2007 the Council authorised the Commission to negotiate a free trade agreement (FTA) with Member States of the Association of Southeast Asian Nations (ASEAN). That authorisation provided for the possibility of bilateral negotiations.

(2) On 22 December 2009 the Council authorised the Commission to pursue bilateral FTA negotiations with individual ASEAN Member States, starting with Singapore, to be conducted in accordance with the existing negotiating directives.

(3) On 12 September 2011 the Council authorised the Commission to extend the on-going negotiations with Singapore to cover also investment protection.

(4) The negotiations for an Investment Protection Agreement between the European Union and its Member States, of the one part, and the Republic of Singapore of the other part (hereinafter "the Agreement") have been concluded and the Agreement should be signed on behalf of the Union, subject to the fulfilment of the procedures required for its conclusion at a later date,

HAS ADOPTED THIS DECISION:

Article 1

The signing of 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 is hereby approved on behalf of the Union, subject to the conclusion of the said Agreement.

The text of the Agreement to be signed is attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person empowered to sign the Agreement on behalf of the Union, subject to its conclusion.

Article 3

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

For the Council
The President

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

1.2. Policy area(s) concerned in the ABM/ABB structure

1.3. Nature of the proposal/initiative

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1.5. Grounds for the proposal/initiative

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2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

2.2. Management and control system

2.3. Measures to prevent fraud and irregularities

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

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3.2.4. Compatibility with the current multiannual financial framework

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3.3. Estimated impact on revenue

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

EU-Singapore Investment Protection Agreement

1.2. Policy area(s) concerned in the ABM/ABB structure[4]

20.02 – Trade Policy

1.3. Nature of the proposal/initiative

☑ The proposal/initiative relates to a new action

☐ The proposal/initiative relates to a new action following a pilot project/preparatory action[5]

☐ The proposal/initiative relates to the extension of an existing action

☐ The proposal/initiative relates to an action redirected towards a new action

1.4. Objective(s)

1.4.1. The Commission's multiannual strategic objective(s) targeted by the proposal/initiative

The proposal can be framed in the first of the ten Juncker priorities – Jobs, Growth and Investment.

1.4.2. Specific objective(s) and ABM/ABB activity(ies) concerned

Specific objective No

1

ABM/ABB activity(ies) concerned

20.02 – Trade Policy

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

The objective of the EU-Singapore Investment Protection Agreement (IPA) is to enhance the investment climate between the EU and Singapore. The agreement will bring benefits to European investors by ensuring a high level protection of their investments in Singapore, while at the same time safeguarding the EU's rights to regulate and pursue legitimate public policy objectives such as the protection of public health, safety and the environment.

The agreement establishes an Investment Court System (ICS) designed to meet the high expectations of citizens and industry for a fairer, more transparent and institutionalised system of settling investment disputes. The provisions in the EU-Singapore IPA having an impact on the EU budget relate precisely to the setting up and running costs of the ICS.

[4] ABM: activity-based management; ABB: activity-based budgeting.

[5] As referred to in Article 54(2)(a) or (b) of the Financial Regulation.

1.4.4. Indicators of results and impact

Specify the indicators for monitoring implementation of the proposal/initiative.

The IPA brings legal certainty and predictability that is expected to help the EU and Singapore attract and maintain investment to underpin their economy.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term

Maintain or improve the level of investment flows between the EU and Singapore.

1.5.2. Added value of EU involvement

In 2016, total EU FDI in Singapore amounted to € 168 billion, which constitutes more than one-fifth of the total FDI stock in Singapore, making the EU Singapore's largest foreign investor. Conversely, Singapore is the EU's third largest Asian investor and seventh largest external investor, holding investments stocks amounting to about € 88 billion in 2016. As close investment partners, the EU and Singapore will benefit from the enhanced investment climate that the IPA will provide for. The agreement further contains all the innovations of the EU's new approach to investment protection and its enforcement mechanisms that are not present in the 12 existing bilateral investment treaties between Singapore and EU Member States that the IPA will be replacing.

1.5.3. Lessons learned from similar experiences in the past

N/A

1.5.4. Compatibility and possible synergy with other appropriate instruments

N/A

1.6. Duration and financial impact

☐ Proposal/initiative of limited duration

– ☐ Proposal/initiative in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ Financial impact from YYYY to YYYY

☑ Proposal/initiative of unlimited duration

– Implementation with a start-up period from 2018 (subject to ratification in the Council and the European Parliament).

– followed by full-scale operation.

1.7. Management mode(s) planned[6]

☐ Direct management by the Commission

– ☐ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

☐ Shared management with the Member States

☑ Indirect management by entrusting budget implementation tasks to:

[6] Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

– ☐ third countries or the bodies they have designated;

– ☑ international organisations and their agencies (to be specified);

– ☐the EIB and the European Investment Fund;

– ☐ bodies referred to in Articles 208 and 209 of the Financial Regulation;

– ☐ public law bodies;

– ☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

– ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

– If more than one management mode is indicated, please provide details in the 'Comments' section.

Comments

As regards the financial handling of the ICS in the EU-Singapore IPA, a contribution will be given to an "existing structure" (namely, the ICSID) so that it channels the retainer fees to be paid to the judges composing the ICS. It is only in case that a dispute arises that the fees for case management could materialize, the services of ICSID as secretariat being otherwise free of charge.

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

As per the provisions of the framework agreement concluded with the organisation concerned.

2.2. Management and control system

2.2.1. Risk(s) identified

As per the provisions of the framework agreement concluded with the organisation concerned.

2.2.2. Information concerning the internal control system set up

As per the provisions of the framework agreement concluded with the organisation concerned. In particular, the applicable verification rules.

2.2.3. Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error

Given the estimated financial impact, no substantive quantifiable costs or benefits can be identified. The contribution will be part of DG Trade's overall control system.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

As per the provisions of the framework agreement concluded with the organisation concerned. In addition, DG Trade's anti-fraud strategy, which contains a dedicated chapter on financial management, will apply.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number 4	Diff./Non-diff.[7]	from EFTA countries[8]	from candidate countries[9]	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	20.0201	Diff.	NO	NO	NO	NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number N/A	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	N/A		YES/NO	YES/NO	YES/NO	YES/NO

[7] Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
[8] EFTA: European Free Trade Association.
[9] Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	4

DG: TRADE			Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
• Operational appropriations										
Number of budget line 20.0201	Commitments	(1)	0.200	0.200	0.200	0.200				0.800
	Payments	(2)	0.200	0.200	0.200	0.200				0.800
Number of budget line	Commitments	(1a)	-	-	-	-				
	Payments	(2a)	-	-	-	-				
Appropriations of an administrative nature financed from the envelope of specific programmes[10]			0	0	0	0				
Number of budget line		(3)								

[10] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

TOTAL appropriations for DG TRADE	Commitments	=1+1a+3	0.200	0.200	0.200	0.200				0.800
	Payments	=2+2a+3	0.200	0.200	0.200	0.200				0.800

• TOTAL operational appropriations	Commitments	(4)	0.200	0.200	0.200	0.200				0.800
	Payments	(5)	0.200	0.200	0.200	0.200				0.800
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0	0	0	0				
TOTAL appropriations under HEADING 4 of the multiannual financial framework	Commitments	=4+6	0.200	0.200	0.200	0.200				0.800
	Payments	=5+6	0.200	0.200	0.200	0.200				0.800

If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations	Commitments	(4)								
	Payments	(5)								

• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)								
TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount)	Commitments	=4+6								
	Payments	=5+6								

Heading of multiannual financial framework	5	'Administrative expenditure'

EUR million (to three decimal places)

		Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
DG: TRADE									
• Human resources		0.134	0.134	0.134	0.134				0.536
• Other administrative expenditure		0	0	0	0				
TOTAL DG TRADE	Appropriations	0.134	0.134	0.134	0.134				0.536

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)	0.134	0.134	0.134	0.134				0.536

EUR million (to three decimal places)

	Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)	TOTAL

TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	0.334	0.334	0.334	0.334				1.336
	Payments	0.334	0.334	0.334	0.334				1.336

3.2.2. Estimated impact on operational appropriations

– ☐ The proposal/initiative does not require the use of operational appropriations

– ☑ The proposal/initiative requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs			Year 2018		Year 2019		Year 2020		Year 2021		Enter as many years as necessary to show the duration of the impact (see point 1.6)						TOTAL	
	OUTPUTS																	
⇩	Type[11]	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1[12]…			Running of the ICS															
- Output	Secretariat		1	0.200		0.200		0.200		0.200								0.800
- Output	Case(s)			-		p.m.		p.m.		p.m.								
- Output																		
Subtotal for specific objective No 1				0.200		0.200		0.200		0.200								0.800
SPECIFIC OBJECTIVE No 2 ...																		

[11] Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

[12] As described in point 1.4.2. 'Specific objective(s)…'

- Output																		
Subtotal for specific objective No 2																		
TOTAL COST			0.200		0.200		0.200		0.200									0.800

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– ☑ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)			TOTAL
HEADING 5 of the multiannual financial framework								
Human resources	0.134	0.134	0.134	0.134				0.536
Other administrative expenditure	0	0	0	0				
Subtotal HEADING 5 of the multiannual financial framework								

Outside HEADING 5[13] of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 5 of the multiannual financial framework								

TOTAL	0.134	0.134	0.134	0.134				0.536

[13] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.3.2. Estimated requirements of human resources

– ☐ The proposal/initiative does not require the use of human resources.

– ☑ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

		Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
• Establishment plan posts (officials and temporary staff)								
XX 01 01 01 (Headquarters and Commission's Representation Offices)		1	1	1	1			
XX 01 01 02 (Delegations)								
XX 01 05 01 (Indirect research)								
10 01 05 01 (Direct research)								
• External staff (in Full Time Equivalent unit: FTE)[14]								
XX 01 02 01 (AC, END, INT from the 'global envelope')								
XX 01 02 02 (AC, AL, END, INT and JED in the delegations)								
XX 01 04 yy [15]	- at Headquarters							
	- in Delegations							
XX 01 05 02 (AC, END, INT - Indirect research)								
10 01 05 02 (AC, END, INT - Direct research)								

[14] AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

[15] Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

Other budget lines (specify)							
TOTAL	1	1	1	1			

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	Monitoring of the running of the ICS/Case handling
External staff	

3.2.4. Compatibility with the current multiannual financial framework

– ☑ The proposal/initiative is compatible the current multiannual financial framework.

– ☐ The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

– ☐ The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework.

3.2.5. Third-party contributions

– The proposal/initiative does not provide for co-financing by third parties.

– The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year 2018	Year 2019	Year 2020	Year 2021	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body: Government of the Republic of Singapore	0.200	0.200	0.200	0.200				0.800
TOTAL appropriations co-financed	0.200	0.200	0.200	0.200				0.800

3.3. Estimated impact on revenue

– ☑ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

  – ☑ on own resources

  – ☐ on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year (B2016)	Impact of the proposal/initiative[16]						
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article …….		……						

For miscellaneous 'assigned' revenue, specify the budget expenditure line(s) affected.

[…]

Specify the method for calculating the impact on revenue.

[16] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs.

EUROPEAN
COMMISSION

Brussels, 18.4.2018
COM(2018) 195 final

ANNEX 1

ANNEX

to the

Proposal for a Council Decision

on the signing, on behalf of the European Union, of the Investment Protection Agreement between the European Union and its Member States the one part, and the Republic of Singapore, of the other part

INVESTMENT PROTECTION AGREEMENT
BETWEEN THE EUROPEAN UNION
AND ITS MEMBER STATES, OF THE ONE PART,
AND THE REPUBLIC OF SINGAPORE, OF THE OTHER PART

THE EUROPEAN UNION (hereinafter referred to as the "Union"),

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE REPUBLIC OF CROATIA

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBURG,

HUNGARY,

THE REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN, and

THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND,

of the one part, and

THE REPUBLIC OF SINGAPORE (hereinafter referred to as "Singapore"),

of the other part,

hereinafter jointly referred to as "the Parties",

RECOGNISING their longstanding and strong partnership based on the common principles and values reflected in the Partnership and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Singapore, of the other part (hereinafter referred to as "EUSPCA"), and their important economic, trade and investment relationship including as reflected in the Free Trade Agreement between the European Union and the Republic of Singapore (hereinafter referred to as "EUSFTA");

DESIRING to further strengthen their relationship as part of and in a manner coherent with their overall relations, and convinced that this Agreement will create a new climate for further development of investment between the Parties;

RECOGNISING that this Agreement will complement and promote regional economic integration efforts;

DETERMINED to strengthen their economic, trade, and investment relations in accordance with the objective of sustainable development, in its economic, social and environmental dimensions, and to promote investment in a manner mindful of high levels of environmental and labour protection and relevant internationally-recognised standards and agreements to which they are parties;

REAFFIRMING their commitment to the principles of sustainable development and transparency as reflected in the EUSFTA;

REAFFIRMING each Party's right to adopt and enforce measures necessary to pursue legitimate policy objectives such as social, environmental, security, public health and safety, promotion and protection of cultural diversity;

REAFFIRMING their commitment to the Charter of the United Nations signed in San Francisco on 26 June 1945 and having regard to the principles articulated in The Universal Declaration of Human Rights adopted by the General Assembly of the United Nations on 10 December 1948;

RECOGNISING the importance of transparency in international trade and investment to the benefit of all stakeholders;

BUILDING on their respective rights and obligations under the WTO Agreement and other multilateral, regional and bilateral agreements and arrangements to which they are party, in particular, the EUSFTA,

HAVE AGREED AS FOLLOWS:

CHAPTER ONE

OBJECTIVE AND GENERAL DEFINITIONS

ARTICLE 1.1

Objective

The objective of this Agreement is to enhance the investment climate between the Parties in accordance with the provisions of this Agreement.

ARTICLE 1.2

Definitions

For the purposes of this Agreement:

1. "covered investment" means an investment which is owned, directly or indirectly, or controlled, directly or indirectly, by a covered investor of one Party in the territory of the other Party[1].

[1] For greater certainty, investments made "in the territory of the other Party" shall include investments made in an exclusive economic zone or continental shelf, as provided in the United Nations Convention on the Law of the Sea of 10 December 1982.

"investment" means every kind of asset which has the characteristics of an investment, including such characteristics as the commitment of capital or other resources, the expectation of gain or profit, the assumption of risk or a certain duration. Forms that an investment may take include:

(a) tangible or intangible, movable or immovable property as well as any other property rights, such as leases, mortgages, liens, and pledges;

(b) an enterprise including a branch, shares, stocks and other forms of equity participation in an enterprise, including rights derived therefrom;

(c) bonds, debentures, and loans and other debt instruments, including rights derived therefrom;

(d) other financial assets, including derivatives, futures and options;

(e) turnkey, construction, management, production, concession, revenue-sharing, and other similar contracts;

(f) claims to money or to other assets, or to any contractual performance having an economic value;

(g) intellectual property rights[1] and goodwill; and

(h) licenses, authorisations, permits, and similar rights conferred pursuant to domestic law, including any concessions to search for, cultivate, extract or exploit natural resources.[2]

Returns that are invested shall be treated as investments and any alteration of the form in which assets are invested or reinvested shall not affect their qualification as investments.

2. "covered investor" means a natural person[3] or a juridical person of one Party that has made an investment in the territory of the other Party.

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[1] "intellectual property rights" means:
(a) all categories of intellectual property that are the subject of Sections 1 through 7 of Part II of the Agreement on Trade-Related Aspects of Intellectual Property Rights contained in Annex 1C of the WTO Agreement (hereinafter referred to as the "TRIPS Agreement") namely:
(i) copyright and related rights;
(ii) patents (which, in the case of the Union, include rights derived from supplementary protection certificates);
(iii) trademarks;
(iv) designs;
(v) layout-designs (topographies) of integrated circuits;
(vi) geographical indications;
(vii) protection of undisclosed information; and
(b) plant variety rights.

[2] For greater certainty, an order or judgment entered in a judicial or administrative action shall not constitute in itself an investment.

[3] The term "natural person" includes natural persons permanently residing in Latvia who are not citizens of Latvia or any other state but who are entitled, under the laws and regulations of Latvia, to receive a non-citizen's passport (Alien's Passport).

3. "natural person of a Party" means a national of Singapore, or of one of the Member States of the Union, according to their respective legislation.

4. "juridical person" means any legal entity duly constituted or otherwise organised under applicable law, whether or not for profit and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association.

5. "Union juridical person" or "Singapore juridical person" means a juridical person set up in accordance with the law of the Union or a Member State of the Union or Singapore, respectively, and having its registered office, central administration[1] or principal place of business in the territory of the Union or Singapore, respectively. Should the juridical person have only its registered office or central administration in the territory of the Union or of Singapore, respectively, it shall not be considered as a Union juridical person or a Singapore juridical person, respectively, unless it engages in substantive business operations[2] in the territory of the Union or of Singapore, respectively.

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[1] The term "central administration" means the head office where ultimate decision making takes place.

[2] The EU Party understands that the concept of "effective and continuous link" with the economy of a Member State of the Union enshrined in Article 54 of the Treaty on the Functioning of the European Union is equivalent to the concept of "substantive business operations". Accordingly, for a juridical person set up in accordance with the law of Singapore and having only its registered office or central administration in the territory of Singapore, the EU Party shall only extend the benefits of this Agreement if that juridical person possesses an effective and continuous economic link with the economy of Singapore.

6. "measure" means any law, regulation, procedure, requirement or practice.

7. "treatment" or "measure"[1] adopted or maintained by a Party includes those taken by:

(a) central, regional or local governments and authorities; and

(b) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities.

8. "returns" means all amounts yielded by or derived from an investment or reinvestment, including profits, dividends, capital gains, royalties, interests, payments in connection with intellectual property rights, payments in kind and all other lawful income.

9. "freely convertible currency" means a currency which is widely traded in international foreign exchange markets and widely used in international transactions.

10. "establishment" means:

(a) the constitution, acquisition or maintenance of a juridical person; or

(b) the creation or maintenance of a branch or representative office,

with a view to establishing or maintaining lasting economic links within the territory of a Party for the purpose of performing an economic activity.

[1] For greater certainty, the Parties understand that the terms "treatment" or "measure" include failures to act.

11. "economic activity" includes any activities of an economic nature except activities carried out in the exercise of governmental authority, i.e., activities not carried out on a commercial basis or in competition with one or more economic operators.

12. "EU Party" means the Union or its Member States, or the Union and its Member States, within their respective areas of competence as derived from the Treaty on the European Union and the Treaty on the Functioning of the European Union.

CHAPTER TWO

INVESTMENT PROTECTION

ARTICLE 2.1

Scope

1. This Chapter shall apply to covered investors and covered investments made in accordance with the applicable law, whether such investments were made before or after the entry into force of this Agreement[1].

2. Notwithstanding any other provision in this Agreement, Article 2.3 (National Treatment) shall not apply to subsidies or grants provided by a Party, including government-supported loans, guarantees and insurance.

[1] For greater certainty, this Chapter shall not apply to a Party's treatment of covered investors or covered investments before the entry into force of this Agreement.

3. Article 2.3 (National Treatment) shall not apply to:

(a) the procurement by governmental agencies of goods and services purchased for governmental purposes and not with a view to commercial resale or with a view to use in the supply of goods or the supply of services for commercial sale; or

(b) audio-visual services;

(c) activities performed in the exercise of governmental authority within the respective territories of the Parties. For the purposes of this Agreement, an activity performed in the exercise of governmental authority means any activity, except an activity which is supplied on a commercial basis or in competition with one or more suppliers.

ARTICLE 2.2

Investment and Regulatory Measures

1. The Parties reaffirm their right to regulate within their territories to achieve legitimate policy objectives, such as the protection of public health, social services, public education, safety, environment or public morals, social or consumer protection privacy and data protection and the promotion and protection of cultural diversity.

2. For greater certainty, the mere fact that a Party regulates, including through a modification to its laws, in a manner which negatively affects an investment or interferes with an investor's expectations, including its expectations of profits, does not amount to a breach of an obligation under this Chapter.

3. For greater certainty, a Party's decision not to issue, renew or maintain a subsidy or grant:

(a) in the absence of any specific commitment under domestic law or contract to issue, renew, or maintain that subsidy or grant; or

(b) if the decision is made in accordance with the terms or conditions attached to the issuance, renewal or maintenance of the subsidy or grant, if any,

does not constitute a breach of the provisions of this Chapter.

4. For greater certainty, nothing in this Chapter shall be construed as preventing a Party from discontinuing the granting of a subsidy[1] or requesting its reimbursement where such action has been ordered by a competent court, administrative tribunal or other competent authority[2], or requiring that Party to compensate the investor therefor.

[1] In the case of the EU Party, "subsidy" includes "state aid" as defined in the EU law.

[2] In the case of the EU Party, the competent authorities entitled to order the actions mentioned in Article 2.2 (4) are the European Commission or a court or tribunal of a Member State when applying EU law on state aid.

ARTICLE 2.3

National Treatment

1. Each Party shall accord to covered investors of the other Party and to their covered investments, treatment in its territory no less favourable than the treatment it accords, in like situations, to its own investors and their investments with respect to the operation, management, conduct, maintenance, use, enjoyment and sale or other disposal of their investments.

2. Notwithstanding paragraph 1, each Party may adopt or maintain any measure with respect to the operation, management, conduct, maintenance, use, enjoyment and sale or other disposal of an establishment that is not inconsistent with commitments inscribed in its Schedule of Specific Commitments in Annex 8-A and 8-B of Chapter 8 (Services, Establishment and Electronic Commerce) of the EUSFTA respectively[1], where such measure is:

(a) a measure that is adopted on or before the entry into force of this Agreement;

[1] It is understood that a measure "that is not inconsistent with the commitments inscribed in a Party's Schedule of Specific Commitments in Annex 8-A and 8-B of Chapter 8 (Services, Establishment and Electronic Commerce) of the EUSFTA, respectively" shall include any measure in respect of any sector that has not been inscribed, and any measure that is not inconsistent with any condition, limitation or reservation that has been inscribed in respect of any sector, in the respective Schedules, regardless of whether such measure affects "establishment" as defined in subparagraph (d) of Article 8.8 (Definitions) of the EUSFTA.

(b) a measure referred to in subparagraph (a) that is being continued, replaced or amended after the entry into force of this Agreement, provided the measure is no less consistent with paragraph 1 after being continued, replaced or amended than the measure as it existed prior to its continuation, replacement or amendment; or

(c) a measure not falling within subparagraphs (a) or (b), provided it is not applied in respect of, or in a way that causes loss or damage[1] to, covered investments made in the territory of the Party before the entry into force of such measure.

3. Notwithstanding paragraphs 1 and 2, a Party may adopt or enforce measures that accord to covered investors and investments of the other Party less favourable treatment than that accorded to its own investors and their investments, in like situations, subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination against the covered investors or investments of the other Party in the territory of a Party, or is a disguised restriction on covered investments, where the measures are:

[1] For the purposes of subparagraph (2)(c), it is understood that factors like the fact that a Party has provided for a reasonable phase-in period for the implementation of a measure or that a Party has made any other attempt to address the effects of the measure on covered investments made before its entry into force, shall be taken into account in determining whether the measure causes loss or damage to covered investments made before the entry into force of the measure.

(a) necessary to protect public security, public morals or to maintain public order[1];

(b) necessary to protect human, animal or plant life or health;

(c) relating to the conservation of exhaustible natural resources if such measures are applied in conjunction with restrictions on domestic investors or investments;

(d) necessary for the protection of national treasures of artistic, historic or archaeological value;

(e) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Chapter including those relating to:

(i) the prevention of deceptive or fraudulent practices or to deal with the effects of a default on a contract;

(ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidential of individual records and accounts;

(iii) safety;

[1] The public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.

(f) aimed at ensuring the effective or equitable[1] imposition or collection of direct taxes in respect of investors or investments of the other Party.

[1] Measures that are aimed at ensuring the effective or equitable imposition or collection of direct taxes include measures taken by a Party under its taxation system which:

(a) apply to non-resident investors or investments in recognition of the fact that the tax obligation of non-residents is determined with respect to taxable items sourced or located in the Party's territory;

(b) apply to non-residents in order to ensure the imposition or collection of taxes in a Party's territory;

(c) apply to non-residents or residents in order to prevent the avoidance or evasion of taxes, including compliance measures;

(d) apply to investments in or from the territory of the other Party in order to ensure the imposition or collection of taxes on such consumers derived from sources in the Party's territory;

(e) distinguish investors or investments subject to tax on worldwide taxable items from other investors or investments in recognition of the difference in the nature of the tax base between them; or

(f) determine, allocate or apportion income, profit, gain, loss, deduction or credit of resident persons or branches, or between related persons or branches of the same person, in order to safeguard a Party's tax base.

Tax terms or concepts in paragraph (f) and in this footnote are to be determined according to tax definitions or concepts, or equivalent or similar definitions and concepts, under domestic law of the Party taking the measure.

ARTICLE 2.4

Standard of Treatment

1. Each Party shall accord in its territory to covered investments of the other Party fair and equitable treatment[1] and full protection and security in accordance with paragraphs 2 to 6.

2. A Party breaches the obligation of fair and equitable treatment referenced in paragraph 1 if its measure or series of measures constitute:

(a) denial of justice[2] in criminal, civil and administrative proceedings;

(b) a fundamental breach of due process;

(c) manifestly arbitrary conduct;

(d) harassment, coercion, abuse of power or similar bad faith conduct.

[1] Treatment in this Article includes treatment of covered investors which directly or indirectly interferes with the covered investors' operation, management, conduct, maintenance, use, enjoyment and sale or other disposal of their covered investments.

[2] For greater certainty, the sole fact that the covered investor's claim has been rejected, dismissed or unsuccessful does not in itself constitute a denial of justice.

3. In determining whether the fair and equitable treatment obligation, as set out in paragraph 2, has been breached, a Tribunal may take into account, where applicable, whether a Party made specific or unambiguous representations[1] to an investor so as to induce the investment, that created legitimate expectations of a covered investor and which were reasonably relied upon by the covered investor, but that the Party subsequently frustrated[2].

4. The Parties shall, upon request of a Party or recommendations by the Committee, review the content of the obligation to provide fair and equitable treatment, pursuant to the procedure for amendments set out in Article 4.3 (Amendments), in particular, whether treatment other than those listed in paragraph 2 can also constitute a breach of fair and equitable treatment.

5. For greater certainty, "full protection and security" only refers to a Party's obligation relating to physical security of covered investors and investments.

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[1] For greater certainty, representations made so as to induce the investments include the representations made in order to convince the investor to continue with, not to liquidate or to make subsequent investments.

[2] For greater certainty, the frustration of legitimate expectations as described in this paragraph does not, by itself, amount to a breach of paragraph 2, and such frustration of legitimate expectations must arise out of the same events or circumstances that give rise to the breach of paragraph 2.

6. Where a Party, itself or through any entity mentioned in paragraph 7 of Article 1.2 (Definitions), had given a specific and clearly spelt out commitment in a contractual written obligation[1] towards a covered investor of the other Party with respect to the covered investor's investment or towards such covered investment, that Party shall not frustrate or undermine the said commitment through the exercise of its governmental authority[2] either:

(a) deliberately; or

(b) in a way which substantially alters the balance of rights and obligation in the contractual written obligation unless the Party provides reasonable compensation to restore the covered investor or investment to a position which it would have been in had the frustration or undermining not occurred.

7. A breach of another provision of this Agreement, or of a separate international agreement, does not establish that there has been a breach of this Article.

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[1] For the purposes of this paragraph, a "contractual written obligation" means an agreement in writing, entered into by a Party, itself or through any entity mentioned in paragraph 7 of Article 1.2 (Definitions), with a covered investor or a covered investment whether in a single instrument or multiple instruments, that creates an exchange of rights and obligations, binding both parties.

[2] For the purposes of this Article, a Party frustrates or undermines a commitment through the exercise of its governmental authority when it frustrates or undermines the said commitment through the adoption, maintenance or non-adoption of measures mandatory or enforceable under domestic laws.

ARTICLE 2.5

Compensation for Losses

1. Covered investors of one Party whose covered investments suffer losses owing to war or other armed conflict, revolution, a state of national emergency, revolt, insurrection or riot in the territory of the other Party shall be accorded by that Party, as regards restitution, indemnification, compensation or other settlement, treatment no less favourable than that accorded by that Party to its own investors or to the investors of any third country, whichever is more favourable to the covered investor concerned.

2. Without prejudice to paragraph 1, covered investors of a Party who, in any of the situations referred to in paragraph 1, suffer losses in the territory of the other Party resulting from:

(a) requisitioning of its covered investment or a part thereof by the other Party's armed forces or authorities; or

(b) destruction of its covered investment or a part thereof by the other Party's armed forces or authorities, which was not required by the necessity of the situation,

shall be accorded by the other Party restitution or compensation.

ARTICLE 2.6

Expropriation[1]

1. Neither Party shall directly or indirectly nationalise, expropriate or subject to measures having effect equivalent to nationalisation or expropriation (hereinafter referred to as "expropriation") the covered investments of covered investors of the other Party except:

(a) for a public purpose;

(b) in accordance with due process of law;

(c) on a non-discriminatory basis; and

(d) against payment of prompt, adequate and effective compensation in accordance with paragraph 2.

2. Compensation shall amount to the fair market value of the covered investment immediately before its expropriation or impending expropriation became public knowledge plus interest at a commercially reasonable rate, established on a market basis taking into account the length of time from the time of expropriation until the time of payment. Such compensation shall be effectively realisable, freely transferable in accordance with Article 2.7 (Transfer) and made without delay.

[1] For greater certainty, this Article shall be interpreted in accordance with Annexes 1 to 3.

Valuation criteria used to determine fair market value may include going concern value, asset value including the declared tax value of tangible property, and other criteria, as appropriate.

3. This Article does not apply to the issuance of compulsory licences granted in relation to intellectual property rights, to the extent that such issuance is consistent with the TRIPS Agreement.

4. Any measure of expropriation or valuation shall, at the request of the covered investors affected, be reviewed by a judicial or other independent authority of the Party taking the measure.

ARTICLE 2.7

Transfer

1. Each Party shall permit all transfers relating to a covered investment to be made in a freely convertible currency without restriction or delay. Such transfers include:

(a) contributions to capital such as principal and additional funds to maintain, develop or increase the covered investment;

(b) profits, dividends, capital gains and other returns, proceeds from the sale of all or any part of the covered investment or from the partial or complete liquidation of the covered investment;

(c) interest, royalty payments, management fees, and technical assistance and other fees;

(d) payments made under a contract entered into by the covered investor, or its covered investment, including payments made pursuant to a loan agreement;

(e) earnings and other remuneration of personnel engaged from abroad and working in connection with a covered investment;

(f) payments made pursuant to Article 2.6 (Expropriation) and Article 2.5 (Compensation for Losses);

(g) payments arising under Article 3.18 (Award).

2. Nothing in this Article shall be construed to prevent a Party from applying in an equitable and non-discriminatory manner its law relating to:

(a) bankruptcy, insolvency, or the protection of the rights of creditors;

(b) issuing, trading, or dealing in securities, futures, options, or derivatives;

(c) financial reporting or record keeping of transfers when necessary to assist law enforcement or financial regulatory authorities;

(d) criminal or penal offences;

(e) ensuring compliance with orders or judgments in judicial or administrative proceedings;

(f) social security, public retirement or compulsory savings schemes; or

(g) taxation.

3. When in exceptional circumstances of serious difficulties, or threat thereof, for the operation of the economic and monetary policy or exchange rate policy in either Party, safeguard measures with regard to transfers may temporarily be taken by the Party concerned. Such measures shall be strictly necessary, shall not exceed in any case a period of six months[1], and shall not constitute a means of arbitrary or unjustified discrimination between a Party and a non-Party in like situations.

The Party adopting the safeguard measures shall inform the other Party forthwith and present, as soon as possible, a time schedule for their removal.

4. Where a Party is in serious balance-of-payments and external financial difficulties, or under threat thereof, it may adopt or maintain restrictive measures with regard to transfers related to investments.

[1] The application of safeguard measures may be extended through their formal reintroduction in case of continuing exceptional circumstances and after having notified the other Party regarding the implementation of any proposed formal reintroduction.

5. The Parties shall endeavour to avoid the application of the restrictive measures referred to in paragraph 4. Any restrictive measures adopted or maintained under paragraph 4 shall be non-discriminatory, of a limited duration, and not go beyond what is necessary to remedy the balance-of-payments and external financial situation. They shall be in accordance with the conditions established in the Marrakesh Agreement Establishing the World Trade Organization done at Marrakesh on 15 April 1994 (hereinafter referred to as "WTO Agreement") and consistent with the Articles of Agreement of the International Monetary Fund, as applicable.

6. Any Party maintaining or having adopted restrictive measures under paragraph 4, or any changes thereto, shall promptly notify the other Party of them.

7. Where restrictions are adopted or maintained under paragraph 4, consultations shall be held promptly in the Committee. Such consultations shall assess the balance-of-payments situation of the Party concerned and the restrictions adopted or maintained under paragraph 4, taking into account, *inter alia*, such factors as:

(a) the nature and extent of the balance-of-payments and the external financial difficulties;

(b) the external economic and trading environment; or

(c) alternative corrective measures which may be available.

The consultations shall address the compliance of any restrictive measures with paragraphs 4 and 5. All findings of statistical and other facts presented by the International Monetary Fund (hereinafter referred to as "IMF") relating to foreign exchange, monetary reserves and balance-of-payments shall be accepted and conclusions shall be based on the assessment by the IMF of the balance-of-payments and the external financial situation of the Party concerned.

ARTICLE 2.8

Subrogation

If a Party, or an agency acting on behalf of the Party, makes a payment in favour of any of its investors under a guarantee, a contract of insurance or other form of indemnity it has entered into or granted in respect of an investment, the other Party shall recognise the subrogation or transfer of any right or title or the assignment of any claim in respect of such investment. The Party or the agency shall have the right to exercise the subrogated or assigned right or claim to the same extent as the original right or claim of the investor. Such subrogated rights may be exercised by the Party or an agency or by the investor if the Party or the agency so authorises.

CHAPTER THREE

DISPUTE SETTLEMENT

SECTION A

RESOLUTION OF DISPUTES BETWEEN INVESTORS AND PARTIES

ARTICLE 3.1

Scope and Definitions

1. This Section shall apply to a dispute between a claimant of one Party and the other Party concerning treatment[1] alleged to breach the provisions of Chapter Two (Investment Protection) which breach allegedly causes loss or damage to the claimant or its locally established company.

2. For the purposes of this Section, unless otherwise specified:

(a) "disputing parties" means the claimant and the respondent;

[1] The Parties understand that the term "treatment" may include failures to act.

(b) "claimant" means an investor of a Party which seeks to submit or has submitted a claim pursuant to this Section, either:

(i) acting on its own behalf; or

(ii) acting on behalf of a locally established company, as defined in subparagraph (c), which it owns or controls[1];

(c) "locally established company" means a juridical person owned or controlled[2] by an investor of one Party, established in the territory of the other Party;

(d) "non-disputing Party" means either Singapore, in the case where the Union or a Member State of the Union is the respondent; or the Union, in the case where Singapore is the respondent;

(e) "respondent" means either Singapore; or in the case of the EU Party, either the Union or the Member State of the Union as notified pursuant to Article 3.5 (Notice of Intent); and

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[1] For the avoidance of doubt, subparagraph 2(b) shall constitute the Parties' agreement to treat a locally established company as a national of another Contracting State for the purposes of subparagraph 2(b) of Article 25 of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of 18 March 1965.

[2] A juridical person is:
(a) owned by natural or juridical persons of the other Party if more than 50 per cent of the equity interest in it is beneficially owned by natural or juridical persons of that Party;
(b) controlled by natural or juridical persons of the other Party if such natural or juridical persons have the power to name a majority of its directors or otherwise to legally direct its actions.

(f) "third party funding" means any funding provided by a natural or juridical person who is not a party to the dispute but who enters into an agreement with a disputing party in order to finance part or all of the cost of the proceedings in return for a share or other interest in the proceeds or potential proceeds of the proceedings to which the disputing party may become entitled, or in the form of a donation or grant.

ARTICLE 3.2

Amicable Resolution

Any dispute should as far as possible be resolved amicably through negotiations and, where possible, before the submission of a request for consultations pursuant to Article 3.3 (Consultations). An amicable resolution may be agreed at any time, including after dispute settlement proceedings under this Section have been commenced.

ARTICLE 3.3

Consultations

1. Where a dispute cannot be resolved as provided for under Article 3.2 (Amicable Resolution), a claimant of a Party alleging a breach of the provisions of Chapter Two (Investment Protection) may submit a request for consultations to the other Party.

2. The request for consultations shall contain the following information:

(a) the name and address of the claimant and, where such request is submitted on behalf of a locally established company, the name, address, and place of incorporation of the locally established company;

(b) the provisions of Chapter Two (Investment Protection) alleged to have been breached;

(c) the legal and factual basis for the dispute, including the treatment alleged to breach the provisions of Chapter Two (Investment Protection); and

(d) the relief sought and the estimated loss or damage allegedly caused to the claimant or its locally established company by reason of that breach.

3. The request for consultations shall be submitted:

(a) within 30 months of the date on which the claimant or, as applicable, the locally established company, first acquired, or should have first acquired, knowledge of the treatment alleged to breach the provisions of Chapter Two (Investment Protection); or

(b) in the event that local remedies are being pursued when the time period referred to in subparagraph (a) elapses, within one year of the date on which the claimant or, as applicable, the locally established company, ceases to pursue those local remedies; and, in any event, no later than 10 years after the date on which the claimant or, as applicable, its locally established company, first acquired, or should have first acquired, knowledge of the treatment alleged to breach the provisions of Chapter Two (Investment Protection).

4. In the event that the claimant has not submitted a claim pursuant to Article 3.6 (Submission of Claim to Tribunal) within eighteen months of submitting the request for consultations, the claimant shall be deemed to have withdrawn its request for consultations, any notice of intent and to have waived its rights to bring such a claim. This period may be extended by agreement between the parties involved in the consultations.

5. The time periods referred to in paragraphs 3 and 4 shall not render a claim inadmissible where the claimant can demonstrate that the failure to request consultations or submit a claim, as the case may be, is due to the claimant's inability to act as a result of actions deliberately taken by the other Party, provided that the claimant acts as soon as it is reasonably able to act.

6. In the event that the request for consultations concerns an alleged breach of this Agreement by the Union, or by any Member State of the Union, it shall be sent to the Union.

7. The disputing parties may hold the consultations through videoconference or other means where appropriate, such as in the case where the investor is a small or medium-sized enterprise.

ARTICLE 3.4

Mediation and Alternative Dispute Resolution

1. The disputing parties may at any time, including prior to the delivery of a notice of intent, agree to have recourse to mediation.

2. Recourse to mediation is voluntary and without prejudice to the legal position of either disputing party.

3. Recourse to mediation may be governed by the rules set out in Annex 6 (Mediation Mechanism for Disputes between Investors and Parties) or such other rules as the disputing parties may agree. Any time limit mentioned in Annex 6 (Mediation Mechanism for Disputes between Investors and Parties) may be modified by mutual agreement between the disputing parties.

4. The mediator shall be appointed by agreement of the disputing parties or in accordance with Article 3 (Selection of the Mediator) of Annex 6 (Mediation Mechanism for Disputes between Investors and Parties). Mediators shall comply with Annex 7 (Code of Conduct for Members of the Tribunal, the Appeal Tribunal and Mediators).

5. The disputing parties shall endeavour to reach a mutually agreed solution within sixty days from the appointment of the mediator.

6. Once the disputing parties agree to have recourse to mediation, paragraphs 3 and 4 of Article 3.3 (Consultations) shall not apply between the date on which it was agreed to have recourse to mediation, and thirty days after the date on which either party to the dispute decides to put an end to the mediation, by way of a letter to the mediator and the other disputing party.

7. Nothing in this Article shall preclude the disputing parties from having recourse to other forms of alternative dispute resolution.

ARTICLE 3.5

Notice of Intent

1. If the dispute cannot be settled within three months of the submission of the request for consultations, the claimant may deliver a notice of intent which shall specify in writing the claimant's intention to submit the claim to dispute settlement, and contain the following information:

(a) the name and address of the claimant and, where such request is submitted on behalf of a locally established company, the name, address, and place of incorporation of the locally established company;

(b) the provisions of Chapter Two (Investment Protection) alleged to have been breached;

(c) the legal and factual basis for the dispute, including the treatment alleged to breach the provisions of Chapter Two (Investment Protection); and

(d) the relief sought and the estimated loss or damage allegedly caused to the claimant or its locally established company by reason of that breach.

The notice of intent shall be sent to the Union or to Singapore, as the case may be.

2. Where a notice of intent has been sent to the Union, the Union shall make a determination of the respondent within two months from the date of receipt of the notice. The Union shall inform the claimant of this determination immediately, on the basis of which the claimant may submit a claim pursuant to Article 3.6 (Submission of Claim to Tribunal).

3. Where no determination of the respondent has been made pursuant to paragraph 2, the following shall apply:

(a) in the event that the notice of intent exclusively identifies treatment by a Member State of the Union, that Member State shall act as respondent;

(b) in the event that the notice of intent identifies any treatment by an institution, body or agency of the Union, the Union shall act as respondent.

4. Where either the Union or a Member State acts as respondent, neither the Union nor the Member State concerned shall assert the inadmissibility of a claim, or otherwise assert that a claim or award is unfounded or invalid, on the ground that the proper respondent should be or should have been the Union rather than the Member State or *vice versa*.

5. For greater certainty, nothing in this Agreement or the applicable dispute settlement rules shall prevent the exchange, between the Union and the Member State concerned, of all information relating to a dispute.

ARTICLE 3.6

Submission of Claim to Tribunal

1. No earlier than three months from the date of the notice of intent delivered pursuant to Article 3.5 (Notice of Intent), the claimant may submit the claim to the Tribunal under one of the following dispute settlement rules[1]:

(a) the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of 18 March 1965 (hereinafter referred to as the "ICSID Convention") provided that both the respondent and the State of the claimant are parties to the ICSID Convention;

[1] For greater certainty:
(a) the rules of the relevant dispute settlement mechanisms shall apply subject to the specific rules set out in this Section, and supplemented by decisions adopted pursuant to subparagraph 4(g) of Article 4.1 (Committee); and
(b) claims where a representative submits a claim in the name of a class composed of an undetermined number of unidentified claimants and intends to conduct the proceedings by representing the interests of such claimants and making all decisions relating to the conduct of the claim on their behalf shall not be admissible.

(b) the ICSID Convention in accordance with the Rules on the Additional Facility for the Administration of Proceedings by the Secretariat of the International Centre for Settlement of Investment Disputes (hereinafter referred to as "ICSID Additional Facility Rules"), provided that either the respondent or the State of the claimant is a party to the ICSID Convention;[1]

(c) the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL); or

(d) any other rules if the disputing parties so agree.

2. Paragraph 1 of this Article shall constitute the consent of the respondent to the submission of a claim under this Section. The consent under paragraph 1 and the submission of a claim under this Section shall be deemed to satisfy the requirements of:

(a) Chapter II of the ICSID Convention, and the ICSID Additional Facility Rules, for written consent of the disputing parties; and

(b) Article II of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York on 10 June 1958 (hereinafter referred to as "New York Convention") for an "agreement in writing".

[1] For the purpose of subparagraphs (a) and (b), the term "State" is deemed to include the Union, if the Union accedes to the ICSID Convention.

ARTICLE 3.7

Conditions to the Submission of Claim

1. A claim may be submitted under this Section only if:

(a) the submission of the claim is accompanied by the claimant's consent in writing to dispute settlement in accordance with the procedures set out in this Section and the claimant's designation of one of the fora rules referred to in paragraph 1 of Article 3.6 (Submission of Claim to Tribunal) as the rules for dispute settlement;

(b) at least six months have elapsed since the submission of the request for consultations under Article 3.3 (Consultations) and at least three months have elapsed from the submission of the notice of intent under Article 3.5 (Notice of Intent);

(c) the request for consultations and the notice of intent submitted by the claimant fulfilled the requirements set out in paragraph 2 of Article 3.3 (Consultations) and paragraph 1 of Article 3.5 (Notice of Intent) respectively;

(d) the legal and factual basis of the dispute was subject to prior consultation pursuant to Article 3.3 (Consultations);

(e) all the claims identified in the submission of the claim made pursuant to Article 3.6 (Submission of Claim to Tribunal) are based on treatment identified in the notice of intent made pursuant to Article 3.5 (Notice of Intent);

(f) the claimant:

(i) withdraws any pending claim submitted to the Tribunal, or to any other domestic or international court or tribunal under domestic or international law, concerning the same treatment as alleged to breach the provisions of Chapter Two (Investment Protection);

(ii) declares that it will not submit such a claim in the future; and

(iii) declares that it will not enforce any award rendered pursuant to this Section before such award has become final, and will not seek to appeal, review, set aside, annul, revise or initiate any other similar procedure before an international or domestic court or tribunal, as regards an award pursuant to this Section.

2. For the purposes of subparagraph 1(f), the term "claimant" refers to the investor and, where applicable, to the locally established company. In addition, for the purposes of subparagraph 1(f)(i) the term "claimant" includes all persons who directly or indirectly have an ownership interest in, or who are controlled by the investor or, where applicable, the locally established company.

3. Upon request of the respondent, the Tribunal shall decline jurisdiction where the claimant fails to respect any of the requirements or declarations referred to in paragraphs 1 and 2.

4. Subparagraph 1(f) shall not prevent the claimant from seeking interim measures of protection before the courts or administrative tribunals of the respondent prior to the institution or during the pendency of proceedings before any of the dispute settlement fora referred to in Article 3.6 (Submission of Claim to Tribunal). For the purposes of this Article, interim measures of protection shall be for the sole purpose of preservation of the claimant's rights and interests and shall not involve the payment of damages or the resolution of the substance of the matter in dispute.

5. For greater certainty, the Tribunal shall decline jurisdiction where the dispute had arisen, or was very likely to arise, at the time when the claimant acquired ownership or control of the investment subject to the dispute, and the Tribunal determines based on the facts that the claimant has acquired ownership or control of the investment for the main purpose of submitting the claim under this Section. This is without prejudice to other jurisdictional objections which could be entertained by the Tribunal.

ARTICLE 3.8

Third Party Funding

1. Any disputing party benefiting from third party funding shall notify the other disputing party and the Tribunal of the name and address of the third party funder.

2. Such notification shall be made at the time of submission of a claim, or without delay as soon as the third party funding is agreed, donated or granted, as applicable.

ARTICLE 3.9

Tribunal of First Instance

1. A Tribunal of First Instance ("Tribunal") is hereby established to hear claims submitted pursuant to Article 3.6 (Submission of Claim to Tribunal).

2. The Committee shall, upon the entry into force of this Agreement, appoint six Members to the Tribunal. For the purposes of this appointment:

(a) The EU Party shall nominate two Members;

(b) Singapore shall nominate two Members; and

(c) The EU Party and Singapore shall jointly nominate two Members, who shall not be nationals of any Member State of the Union or of Singapore.

3. The Committee may decide to increase or to decrease the number of the Members by multiples of three. Additional appointments shall be made on the same basis as provided for in paragraph 2.

4. The Members shall possess the qualifications required in their respective countries for appointment to judicial office, or be jurists of recognised competence. They shall have specialised knowledge of, or experience in, public international law. It is desirable that they have expertise, in particular, in international investment law, international trade law, or the resolution of disputes arising under international investment or international trade agreements.

5. The Members shall be appointed for an eight-year term. However, the inaugural terms of three of the six persons appointed immediately after the entry into force of this Agreement, to be determined by lot, shall extend to twelve years. A Member's term of appointment may be renewed by decision of the Committee upon expiry. Vacancies shall be filled as they arise. A person appointed to replace a person whose term of office has not expired shall hold office for the remainder of the predecessor's term. A person who is serving on a division of the Tribunal when his or her term expires may, with the authorisation of the President of the Tribunal, continue to serve on the division until the closure of the proceedings of that division and shall, for that purpose only, be deemed to continue to be a Member of the Tribunal.

6. There shall be a President and Vice-President of the Tribunal who shall be responsible for organisational issues. They will be appointed for a four-year term and shall be drawn by lot from among the Members who have been appointed pursuant to paragraph 2(c). They shall serve on the basis of a rotation drawn by lot by the Chair of the Committee. The Vice-President shall replace the President when the President is unavailable.

7. The Tribunal shall hear cases in divisions consisting of three Members, of whom one each shall have been appointed pursuant to paragraphs 2(a), 2(b), and 2(c), respectively. The division shall be chaired by the Member who had been appointed pursuant to paragraph 2(c).

8. Within 90 days of the submission of a claim pursuant to Article 3.6 (Submission of Claim to Tribunal), the President of the Tribunal shall appoint the Members composing the division of the Tribunal hearing the case on a rotation basis, ensuring that the composition of each division is random and unpredictable, while giving equal opportunity to all Members to serve.

9. Notwithstanding paragraph 7, the disputing parties may agree that a case be heard by a sole Member. This Member shall be selected by the President of the Tribunal from amongst those Members who had been appointed pursuant to paragraph 2(c). The respondent shall give sympathetic consideration to such a request from the claimant, in particular where the claimant is a small or medium-sized enterprise or the compensation or damages claimed are relatively low. Such a request should be made at the same time as the filing of the claim pursuant to Article 3.6 (Submission of Claim to Tribunal).

10. The Tribunal shall draw up its own working procedures.

11. The Members of the Tribunal shall ensure that they are available and able to perform the functions set out in this Section.

12. In order to ensure their availability, the Members shall be paid a monthly retainer fee to be fixed by decision of the Committee. The President of the Tribunal and, where applicable, the Vice-President, shall receive a fee equivalent to the fee determined pursuant to Article 3.10(11) (Appeal Tribunal) for each day worked in fulfilling the functions of President of the Tribunal pursuant to this Section.

13. The retainer fee and the daily fees for the President or Vice-President of the Tribunal when working in fulfilling the functions of President of the Tribunal pursuant to this Section shall be paid equally by both Parties into an account managed by the Secretariat of ICSID. In the event that one Party fails to pay the retainer fee or the daily fees, the other Party may elect to pay. Any such arrears will remain payable, with appropriate interest.

14. Unless the Committee adopts a decision pursuant to paragraph 15, the amount of the other fees and expenses of the Members on a division of the Tribunal shall be those determined pursuant to Regulation 14(1) of the Administrative and Financial Regulations of the ICSID Convention in force on the date of the submission of the claim and allocated by the Tribunal among the disputing parties in accordance with Article 3.21 (Costs).

15. Upon a decision by the Committee, the retainer fee and other fees and expenses may be permanently transformed into a regular salary. In such an event, the Members shall serve on a full-time basis and the Committee shall fix their remuneration and related organisational matters. In that event, the Members shall not be permitted to engage in any occupation, whether gainful or not, unless exemption is exceptionally granted by the President of the Tribunal.

16. The Secretariat of ICSID shall act as Secretariat for the Tribunal and provide it with appropriate support. The expenses for such support shall be allocated by the Tribunal among the disputing parties in accordance with Article 3.21 (Costs).

ARTICLE 3.10

Appeal Tribunal

1. A permanent Appeal Tribunal is hereby established to hear appeals from provisional awards issued by the Tribunal.

2. The Committee shall, upon the entry into force of this Agreement, appoint six Members to the Appeal Tribunal. For the purposes of this appointment:

(a) The EU Party shall nominate two Members;

(b) Singapore shall nominate two Members; and

(c) The EU Party and Singapore shall jointly nominate two Members, who shall not be nationals of any Member State of the Union or of Singapore.

3. The Committee may decide to increase or to decrease the number of the Members of the Appeal Tribunal by multiples of three. Additional appointments shall be made on the same basis as provided for in paragraph 2.

4. The Appeal Tribunal Members shall possess the qualifications required in their respective countries for appointment to the highest judicial offices, or be jurists of recognised competence. They shall have specialised knowledge of, or expertise in, public international law. It is desirable that they have expertise, in particular, in international investment law, international trade law, or the resolution of disputes arising under international investment or international trade agreements.

5. The Appeal Tribunal Members shall be appointed for an eight-year term. However, the inaugural terms of three of the six persons appointed immediately after the entry into force of this Agreement, to be determined by lot, shall extend to twelve years. A Member's term of appointment may be renewed by decision of the Committee upon expiry. Vacancies shall be filled as they arise. A person appointed to replace a person whose term of office has not expired shall hold office for the remainder of the predecessor's term. A person who is serving on a division of the Appeal Tribunal when his or her term expires may, with the authorisation of the President of the Appeal Tribunal, continue to serve on the division until the closure of the proceedings of that division and shall, for that purpose only, be deemed to continue to be a Member of the Appeal Tribunal.

6. There shall be a President and Vice-President of the Appeal Tribunal who shall be responsible for organisational issues. They will be appointed for a four-year term and shall be drawn by a lot from among the Appeal Tribunal Members who have been appointed pursuant to paragraph 2(c). They shall serve on the basis of a rotation drawn by lot by the Chair of the Committee. The Vice-President shall replace the President when the President is unavailable.

7. The Appeal Tribunal shall hear cases in divisions consisting of three Members, of whom one each shall have been appointed pursuant to paragraphs 2(a), 2(b), and 2(c), respectively. The division shall be chaired by the Member who had been appointed pursuant to paragraph 2(c).

8. The President of the Appeal Tribunal shall appoint the Members composing the division of the Appeal Tribunal hearing the appeal on a rotation basis, ensuring that the composition of each division is random and unpredictable, while giving equal opportunity to all Members to serve.

9. The Appeal Tribunal shall draw up its own working procedures.

10. The Appeal Tribunal Members shall ensure that they are available and able to perform the functions set out in this Section.

11. In order to ensure their availability, the Members shall be paid a monthly retainer fee and receive a fee for each day worked as a Member, to be determined by decision of the Committee. The President of the Appeal Tribunal and, where applicable, the Vice-President, shall receive a fee for each day worked in fulfilling the functions of President of the Appeal Tribunal pursuant to this Section.

12. The retainer fee and the daily fees for the President or Vice-President of the Appeal Tribunal when working in fulfilling the functions of President of the Appeal Tribunal pursuant to this Section shall be paid equally by both Parties into an account managed by the Secretariat of ICSID. In the event that one Party fails to pay the retainer fee or the daily fees, the other Party may elect to pay. Any such arrears will remain payable, with appropriate interest.

13. Upon a decision by the Committee, the retainer fee and the daily fees may be permanently transformed into a regular salary. In such an event, the Appeal Tribunal Members shall serve on a full-time basis and the Committee shall fix their remuneration and related organisational matters. In that event, the Appeal Tribunal Members shall not be permitted to engage in any occupation, whether gainful or not, unless exemption is exceptionally granted by the President of the Appeal Tribunal.

14. The Secretariat of ICSID shall act as Secretariat for the Appeal Tribunal and provide it with appropriate support. The expenses for such support shall be allocated by the Tribunal among the disputing parties in accordance with Article 3.21 (Costs).

ARTICLE 3.11

Ethics

1. The Members of the Tribunal and of the Appeal Tribunal shall be chosen from amongst persons whose independence is beyond doubt. They shall not be affiliated with any government,[1] and in particular, shall not take instructions from any government or organisation with regard to matters related to the dispute. They shall not participate in the consideration of any disputes that would create a direct or indirect conflict of interest. In so doing they shall comply with Annex 7 (Code of Conduct for Members of the Tribunal, the Appeal Tribunal and Mediators). In addition, upon appointment, they shall refrain from acting as counsel, party-appointed expert or party-appointed witness in any pending or new investment protection dispute under this or any other agreement or domestic law.

2. If a disputing party considers that a Member has conflict of interest, it shall send a notice of challenge of that Member's appointment to the President of the Tribunal or to the President of the Appeal Tribunal, respectively. The notice of challenge shall be sent within 15 days of the date on which the composition of the division of the Tribunal or of the Appeal Tribunal has been communicated to the disputing party, or within 15 days of the date on which the relevant facts came to its knowledge, if they could not have reasonably been known at the time of composition of the division. The notice of challenge shall state the grounds for the challenge.

[1] For greater certainty, the fact that a person receives an income from the government, or was formerly employed by the government, or has family relationship with a person who receives an income from the government, does not in itself render that person ineligible.

3. If, within 15 days from the date of the notice of challenge, the challenged Member has elected not to resign from that division, the President of the Tribunal or the President of the Appeal Tribunal, respectively, shall, after hearing the disputing parties and after providing the Member an opportunity to submit any observations, issue a decision within 45 days of receipt of the notice of challenge and forthwith notify the disputing parties and other Members of the division.

4. Challenges against the appointment to a division of the President of the Tribunal shall be decided by the President of the Appeal Tribunal and *vice versa*.

5. Upon a reasoned recommendation from the President of the Appeal Tribunal, the Parties, by decision of the Committee, may decide to remove a Member from the Tribunal or from the Appeal Tribunal where his or her behaviour is inconsistent with the obligations set out in paragraph 1 and incompatible with his continued membership of the Tribunal or Appeal Tribunal. If the behaviour in question is alleged to be that of the President of the Appeal Tribunal then the President of the Tribunal of First Instance shall submit the reasoned recommendation. Articles 3.9(5) (Tribunal of First Instance) and 3.10(4) (Appeal Tribunal) shall apply *mutatis mutandis* for filling vacancies that may arise pursuant to this paragraph.

ARTICLE 3.12

Multilateral Dispute Settlement Mechanism

The Parties shall pursue with each other and other interested trading partners, the establishment of a multilateral investment tribunal and appellate mechanism for the resolution of international investment disputes. Upon establishment of such a multilateral mechanism, the Committee shall consider adopting a decision to provide that investment disputes under this Section will be resolved pursuant to that multilateral mechanism, and to make appropriate transitional arrangements.

ARTICLE 3.13

Applicable Law and Rules of Interpretation

1. The Tribunal shall decide whether the treatment that is the subject of the claim is in breach of an obligation under Chapter Two (Investment Protection).

2. Subject to paragraph 3, the Tribunal shall apply this Agreement interpreted in accordance with the Vienna Convention on the Law of Treaties and other rules and principles of international law applicable between the Parties.[1]

3. Where serious concerns arise as regards issues of interpretation which may affect matters relating to this Agreement, the Committee, pursuant to subparagraph 4(f) of Article 4.1 (Committee), may adopt interpretations of provisions of this Agreement. An interpretation adopted by the Committee shall be binding on the Tribunal and the Appeal Tribunal and any award shall be consistent with that decision. The Committee may decide that an interpretation shall have binding effect from a specific date.

ARTICLE 3.14

Claims Manifestly Without Legal Merit

1. The respondent may, no later than thirty days after the constitution of a division of the Tribunal pursuant to Article 3.9 (Tribunal of First Instance) and in any event before the first session of the division of the Tribunal, file an objection that a claim is manifestly without legal merit.

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[1] For greater certainty, the domestic law of the Parties shall not be part of the applicable law. Where the Tribunal is required to ascertain the meaning of a provision of the domestic law of one of the Parties as a matter of fact, it shall follow the prevailing interpretation of that provision made by the courts or authorities of that Party, and any meaning given to the relevant domestic law made by the Tribunal shall not be binding upon the courts or the authorities of either Party. The Tribunal shall not have jurisdiction to determine the legality of a measure, alleged to constitute a breach of this Agreement, under the domestic law of the disputing Party.

2. The respondent shall specify as precisely as possible the basis for the objection.

3. The Tribunal, after giving the disputing parties an opportunity to present their observations on the objection, shall, at the first session of the division of the Tribunal or promptly thereafter, issue a decision or provisional award on the objection.

4. This procedure and any decision of the Tribunal shall be without prejudice to the right of a respondent to object, pursuant to Article 3.15 (Claims Unfounded as a Matter of Law) or in the course of the proceedings, to the legal merits of a claim and without prejudice to the Tribunal's authority to address other objections as a preliminary question.

ARTICLE 3.15

Claims Unfounded as a Matter of Law

1. Without prejudice to the Tribunal's authority to address other objections as a preliminary question or to a respondent's right to raise any such objections at any appropriate time, the Tribunal shall address and decide as a preliminary question any objection by the respondent that, as a matter of law, a claim, or any part thereof, submitted under this Section is not a claim for which an award in favour of the claimant may be made under Article 3.6 (Submission of Claim to Tribunal), even if the facts alleged were assumed to be true. The Tribunal may also consider any other relevant facts not in dispute.

2. An objection under paragraph 1 shall be submitted to the Tribunal as soon as possible after the division of the Tribunal is constituted, and in no event later than the date the Tribunal fixes for the respondent to submit its counter-memorial or statement of defence or, in the case of an amendment to the claim, the date the Tribunal fixes for the respondent to submit its response to the amendment. An objection may not be submitted under paragraph 1 as long as proceedings under Article 3.14 (Claims Manifestly without Legal Merit) are pending, unless the Tribunal grants leave to file an objection under this Article, after having taken due account of the circumstances of the case.

3. Upon receipt of an objection under paragraph 1, and unless it considers the objection manifestly unfounded, the Tribunal shall suspend any proceedings on the merits, establish a schedule for considering the objection consistent with any schedule it has established for considering any other preliminary question, and issue a decision or provisional award on the objection, stating the grounds therefor.

ARTICLE 3.16

Transparency of Proceedings

Annex 8 (Rules on Public Access to Documents, Hearings and the Possibility of Third Persons to Make Submissions) shall apply to disputes under this Section.

ARTICLE 3.17

The Non-disputing Party to the Agreement

1. The Tribunal shall accept or, after consultation with the disputing parties, may invite oral or written submissions on issues of treaty interpretation from the non-disputing Party to the Agreement.

2. The Tribunal shall not draw any inference from the absence of any submission or response to any invitation pursuant to paragraph 1.

3. The Tribunal shall ensure that any submission does not disrupt or unduly burden the proceedings, or unfairly prejudice any disputing party.

4. The Tribunal shall also ensure that the disputing parties are given a reasonable opportunity to present their observations on any submission by the non-disputing Party to the Agreement.

ARTICLE 3.18

Award

1. Where the Tribunal decides that the treatment in dispute is in breach of an obligation under Chapter Two (Investment Protection), the Tribunal may award, separately or in combination, only:[1]

[1] For greater certainty, an award shall be made on the basis of a request from the claimant and shall be made after considering any comments of the disputing parties.

(a) monetary damages and any applicable interest; and

(b) restitution of property, provided that the respondent may pay monetary damages and any applicable interest, as determined by the Tribunal in accordance with Chapter Two (Investment Protection), in lieu of restitution.

2. Monetary damages shall not be greater than the loss suffered by the claimant or, as applicable, its locally established company, as a result of the breach of the relevant provisions of Chapter Two (Investment Protection), reduced by any prior damages or compensation already provided by the Party concerned. The Tribunal shall not award punitive damages.

3. Where a claim is submitted on behalf of a locally established company, the award shall be made to the locally established company.

4. As a general rule, the Tribunal shall issue a provisional award within 18 months of the date of submission of the claim. When the Tribunal considers that it cannot issue its provisional award within 18 months, it shall inform the disputing parties in writing of the reasons for the delay together with an estimate of the period within which it will issue its provisional award. A provisional award shall become final if 90 days have elapsed after it has been issued and neither disputing party has appealed the award to the Appeal Tribunal.

ARTICLE 3.19

Appeal Procedure

1. Either disputing party may appeal before the Appeal Tribunal a provisional award, within 90 days of its issuance. The grounds for appeal are:

(a) that the Tribunal has erred in the interpretation or application of the applicable law;

(b) that the Tribunal has manifestly erred in the appreciation of the facts, including the appreciation of relevant domestic law; or,

(c) those provided for in Article 52 of the ICSID Convention, in so far as they are not covered by (a) and (b).

2. If the Appeal Tribunal dismisses the appeal, the provisional award shall become final. The Appeal Tribunal may also dismiss the appeal on an expedited basis where it is clear that the appeal is manifestly unfounded, in which case the provisional award shall become final.

3 If the appeal is well founded, the Appeal Tribunal shall modify or reverse the legal findings and conclusions in the provisional award in whole or in part. The Appeal Tribunal shall refer the matter back to the Tribunal, specifying precisely how it has modified or reversed the relevant findings and conclusions of the Tribunal. The Tribunal shall be bound by the findings and conclusions of the Appeal Tribunal and shall, after hearing the disputing parties if appropriate, revise its provisional award accordingly. The Tribunal shall seek to issue its revised award within 90 days after the referral of the matter back to it.

4. As a general rule, the appeal proceedings shall not exceed 180 days from the date a party to the dispute formally notifies its decision to appeal to the date the Appeal Tribunal issues its decision. When the Appeal Tribunal considers that it cannot issue its decision within 180 days, it shall inform the disputing parties in writing of the reasons for the delay together with an estimate of the period within which it will issue its decision. In no case should the proceedings exceed 270 days.

5. A disputing party lodging an appeal shall provide security for the costs of appeal. The disputing party shall also provide any other security as may be ordered by the Appeal Tribunal.

6. The provisions of Articles 3.8 (Third-Party Funding), Annex 8 (Rules on Public Access to Documents, Hearings and the Possibility of Third Persons to Make Submissions), 3.17 (The Non-disputing Party to the Agreement) and Article 3.21 (Costs) shall apply *mutatis mutandis* in respect of the appeal procedure.

ARTICLE 3.20

Indemnification or Other Compensation

The respondent may not assert, and the Tribunal shall not accept, as a defence, counterclaim, right of set-off, or for any other reason, that the claimant has received or will receive indemnification or other compensation, pursuant to an insurance or guarantee contract, for all or part of the damages sought in a dispute initiated under this Section.

ARTICLE 3.21

Costs

1. The Tribunal shall order that the costs of the proceedings shall be borne by the unsuccessful disputing party. In exceptional circumstances the Tribunal may apportion costs between the disputing parties if it determines that apportionment is appropriate in the circumstances of the case.

2. Other reasonable costs, including costs of legal representation and assistance, shall be borne by the unsuccessful party, unless the Tribunal determines that such apportionment of costs is not appropriate in the circumstances of the case.

3. Where only some parts of the claims have been successful, the costs awarded shall be adjusted, proportionately, to the number or extent of the successful parts of the claims.

4. Where a claim or parts of a claim are dismissed on application of Article 3.14 (Claims Manifestly without Legal Merits) or Article 3.15 (Claims Unfounded as a Matter of Law), the Tribunal shall order that all costs relating to such a claim or parts thereof, including the costs of the proceedings and other reasonable costs, including costs of legal representation and assistance, shall be borne by the unsuccessful disputing party.

5. The Committee shall consider adopting supplemental rules on fees for the purpose of determining the maximum amount of costs of legal representation and assistance that may be borne by specific categories of unsuccessful disputing parties. Such supplemental rules shall take into account the financial resources of a claimant which is a natural person or a small or medium-sized enterprise. The Committee shall endeavour to adopt such supplemental rules no later one year after the entry into force of this Agreement.

ARTICLE 3.22

Enforcement of Awards

1. An award rendered pursuant to this section shall not be enforceable until it has become final pursuant to Articles 3.18(4) (Award), 3.19(2) (Appeal Procedure), or 3.19(3) (Appeal Procedure). Final awards issued pursuant to this Section by the Tribunal shall be binding between the disputing parties and shall not be subject to appeal, review, set aside, annulment or any other remedy.[1]

2. Each Party shall recognise an award rendered pursuant to this Agreement as binding and enforce the pecuniary obligation within its territory as if it were a final judgement of a court in that Party.

[1] For greater certainty, this does not prevent a disputing party from requesting the Tribunal to revise, correct, or interpret an award, such as pursuant to Articles 50 and 51 ICSID Convention or Articles 37 and 38 of the UNCITRAL Arbitration Rules, or equivalent provisions of other rules, as applicable to the proceedings in question.

3. Execution of the award shall be governed by the laws concerning the execution of judgments or awards in force where such execution is sought.

4. For greater certainty, Article 4.11 (No Direct Effect) of Chapter Four (Institutional, General and Final Provisions) shall not prevent the recognition, execution and enforcement of awards rendered pursuant to this Section.

5. For the purposes of Article I of the New York Convention, final awards issued pursuant to this Section are arbitral awards relating to claims that are considered to arise out of a commercial relationship or transaction.

6. For greater certainty and subject to paragraph 1, where a claim has been submitted to dispute settlement pursuant to Article 3.6(1)(a) (Submission of Claim to Tribunal), a final award issued pursuant to this Section shall qualify as an award under Section 6 of Chapter IV of the ICSID Convention.

ARTICLE 3.23

Role of the Parties to the Agreement

1. Neither Party shall give diplomatic protection, or bring an international claim, in respect of a dispute which one of its investors and the other Party shall have consented to submit or have submitted to dispute settlement under this Section, unless such other Party has failed to abide by and comply with the award rendered in such dispute. Diplomatic protection, for the purposes of this paragraph, shall not include informal diplomatic exchanges for the sole purpose of facilitating a settlement of the dispute.

2. For greater certainty, paragraph 1 shall not exclude the possibility of a Party having recourse to dispute settlement procedures under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties) in respect of a measure of general application even if that measure is alleged to have breached the Agreement as regards a specific investment in respect of which a claim has been submitted pursuant to Article 3.6 (Submission of Claim to Tribunal) and is without prejudice to Article 3.17 (The Non-disputing Party to the Agreement).

ARTICLE 3.24

Consolidation

1. Where two or more claims that have been submitted separately under Article 3.6 (Submission of Claim to Tribunal) have a question of law or fact in common and arise out of the same events or circumstances, a disputing party may seek the establishment of a separate division of the Tribunal ("consolidating division") and request that such division issue a consolidation order in accordance with:

(a) the agreement of all the disputing parties sought to be covered by the order, in which case the disputing parties shall submit a joint request in accordance with paragraph 3; or

(b) paragraphs 2 through 12, provided that only one respondent is sought to be covered by the order.

2. A disputing party seeking a consolidation order shall first deliver a notice to the other disputing parties sought to be covered by the order. This notice shall specify:

(a) the names and addresses of all the disputing parties sought to be covered by the order;

(b) the claims, or parts thereof, sought to be covered by the order; and

(c) the grounds for the order sought.

The disputing parties shall endeavour to agree on the consolidation order sought and on the applicable dispute settlement rules.

3. Where the disputing parties referred to in paragraph 2 have not reached an agreement on consolidation within thirty days of the notice, a disputing party may make a request for a consolidation order under paragraphs 3 through 7. The request shall be delivered, in writing, to the President of the Tribunal and all the disputing parties sought to be covered by the order. Such a request shall specify:

(a) the names and addresses of all the disputing parties sought to be covered by the order;

(b) the claims, or parts thereof, sought to be covered by the order; and

(c) the grounds for the order sought.

Where the disputing parties have reached an agreement on consolidation of the claims, they shall submit a joint request to the President of the Tribunal in accordance with this paragraph.

4. Unless the President of the Tribunal finds within thirty days after receiving a request under paragraph 3 that the request is manifestly unfounded, a consolidating division of the Tribunal shall be established in accordance with Article 3.9(8) (Tribunal of First Instance).

5. The consolidating division of the Tribunal shall conduct its proceedings in the following manner:

(a) unless all disputing parties otherwise agree, where all the claims for which a consolidation order is sought have been submitted under the same dispute settlement rules, the consolidating division shall proceed under the same dispute settlement rules;

(b) where the claims for which a consolidation order is sought have not been submitted under the same dispute settlement rules:

(i) the disputing parties may agree on the applicable dispute settlement rules available under Article 3.6 (Submission of Claim to Tribunal) which shall apply to the consolidation proceedings; or

(ii) if the disputing parties cannot agree on the same dispute settlement rules within thirty days from the request made pursuant to paragraph 3, the UNCITRAL arbitration rules shall apply to the consolidation proceedings.

6. Where the consolidating division is satisfied that two or more claims that have been submitted under Article 3.6 (Submission of Claim to Tribunal) have a question of law or fact in common, and arise out of the same events or circumstances, the consolidating division may, in the interest of fair and efficient resolution of the claims, including the consistency of awards, and after hearing the disputing parties, by order:

(a) assume jurisdiction over, and hear and determine together, all or part of the claims; or

(b) assume jurisdiction over, and hear and determine one or more of the claims, the determination of which it believes would assist in the resolution of the others.

7. Where a consolidating division has been established, a claimant that has submitted a claim under Article 3.6 (Submission of Claim to Tribunal) and that has not been named in a request made under paragraph 3 may make a written request to the consolidating division that it be included in any order made under paragraph 6. Such request shall comply with the requirements set out in paragraph 3.

8. On application of a disputing party, the consolidating division, pending its decision under paragraph 6, may order that the proceedings of a division established under Article 3.9 (Tribunal of First Instance) be stayed, unless the latter division has already adjourned its proceedings.

9. A division of the Tribunal established under Article 3.9 (Tribunal of First Instance) shall cease to have jurisdiction to decide a claim, or parts of a claim, over which a consolidating division has assumed jurisdiction, and the proceedings of a division established under Article 3.9 (Tribunal of First Instance) shall be stayed or adjourned accordingly.

10. The award of the consolidating division in relation to claims, or parts of claims, over which it has assumed jurisdiction, shall be binding on the divisions established under Article 3.9 (Tribunal of First Instance) in respect of these claims, as of the date the award becomes final pursuant to Articles 3.18(4) (Award), 3.19(2) (Appeal Procedure), or 3.19(3) (Appeal Procedure).

11. A claimant may withdraw its claim or part thereof subject to consolidation from dispute settlement proceedings under this Article, provided that such claim or part thereof may not thereafter be resubmitted under Article 3.6 (Submission of Claim to Tribunal).

12. At the request of one of the disputing parties, the consolidating division may take such measures as it sees fit in order to preserve the confidentiality of protected information of that disputing party vis-à-vis other disputing parties. Such measures may include allowing the submission of redacted versions of documents containing protected information to the other disputing parties or arrangements to hold parts of the hearing in private.

SECTION B

RESOLUTION OF DISPUTES BETWEEN PARTIES

ARTICLE 3.25

Scope

This Section shall apply with respect to any difference concerning the interpretation and application of the provisions of this Agreement, except as otherwise expressly provided.

ARTICLE 3.26

Consultations

1. The Parties shall endeavour to resolve any difference regarding the interpretation and application of the provisions referred to in Article 3.25 (Scope) by entering into consultations in good faith with the aim of reaching a mutually agreed solution.

2. A Party shall seek consultations, by means of a written request to the other Party copied to the Committee, and shall give the reasons for the request, including identification of the measures at issue, the applicable provisions referred to in Article 3.25 (Scope), and the reasons for the applicability of such provisions.

3. Consultations shall be held within thirty days of the date of receipt of the request and take place, unless the Parties agree otherwise, on the territory of the Party complained against. The consultations shall be deemed concluded within sixty days of the date of receipt of the request, unless the Parties agree otherwise. Consultations shall be confidential, and without prejudice to the rights of either Party in any further proceedings.

4. Consultations on matters of urgency shall be held within fifteen days of the date of receipt of the request, and shall be deemed concluded within thirty days of the date of receipt of the request, unless the Parties agree otherwise.

5. If the Party to which the request is made does not respond to the request for consultations within ten days of the date of its receipt, or if consultations are not held within the timeframes laid down in paragraph 3 or in paragraph 4 respectively, or if consultations have been concluded and no mutually agreed solution has been reached, the complaining Party may request the establishment of an arbitration panel in accordance with Article 3.28 (Initiation of Arbitration Procedure).

ARTICLE 3.27

Mediation

Any Party may request the other Party to enter into a mediation procedure with respect to any measure adversely affecting investment between the Parties pursuant to Annex 10 (Mediation Procedure for Disputes between Parties).

ARTICLE 3.28

Initiation of Arbitration Procedure

1. Where the Parties have failed to resolve the dispute by recourse to consultations as provided for in Article 3.26 (Consultations), the complaining Party may request the establishment of an arbitration panel in accordance with this Article.

2. The request for the establishment of an arbitration panel shall be made in writing to the Party complained against and the Committee. The complaining Party shall identify in its request the specific measure at issue, and it shall explain how such measure constitutes a breach of the provisions referred to in Article 3.25 (Scope) in a manner sufficient to present the legal basis for the complaint clearly.

ARTICLE 3.29

Establishment of the Arbitration Panel

1. An arbitration panel shall be composed of three arbitrators.

2. Within five days of the date of receipt by the Party complained against of the request referred to in paragraph 1 of Article 3.28 (Initiation of Arbitration Procedure), the Parties shall enter into consultations in order to agree on the composition of the arbitration panel.

3. In the event that the Parties are unable to agree, within ten days of entering into the consultations referred to in paragraph 2, on the chairperson of the arbitration panel, the chair of the Committee, or the chair's delegate, shall, within twenty days of entering into consultations referred to in paragraph 2, select one arbitrator who will serve as a chairperson by lot from the list referred to under paragraph 1 of Article 3.44 (Lists of Arbitrators).

4. In the event that the Parties are unable to agree, within ten days of entering into the consultations referred to in paragraph 2, on the arbitrators:

(a) each Party may select one arbitrator, who will not act as a chairperson, from the individuals on the list established under paragraph 2 of Article 3.44 (Lists of Arbitrators), within fifteen days of entering into the consultations referred to in paragraph 2; and

(b) if either Party fails to select an arbitrator under subparagraph 4(a), the chair of the Committee, or the chair's delegate, shall select any remaining arbitrator by lot from among the individuals proposed by the Party pursuant to paragraph 2 of Article 3.44 (Lists of Arbitrators), within twenty days of entering into consultations referred to in paragraph 2.

5. Should the list provided for in paragraph 2 of Article 3.44 (Lists of Arbitrators) not be established at the time required pursuant to paragraph 4:

(a) where both Parties have proposed individuals pursuant to paragraph 2 of Article 3.44 (Lists of Arbitrators), each Party may select one arbitrator, who will not act as a chairperson, from among the individuals proposed, within fifteen days of entering into the consultations referred to in paragraph 2. If a Party fails to select an arbitrator, the chair of the Committee, or the chair's delegate, shall select the arbitrator by lot from among the individuals proposed by the Party which failed to select its arbitrator; or

(b) where only one Party has proposed individuals pursuant to paragraph 2 of Article 3.44 (Lists of Arbitrators), each Party may select one arbitrator, who will not act as a chairperson, from among the individuals proposed, within fifteen days of entering into the consultations referred to in paragraph 2. If a Party fails to select an arbitrator, the chair of the Committee, or the chair's delegate, shall select the arbitrator by lot from among the individuals proposed.

6. Should the list provided for in paragraph 1 of Article 3.44 (Lists of Arbitrators) not be established at the time required pursuant to paragraph 3, the chairperson shall be selected by lot from among former Members of the WTO Appellate Body, who shall not be a person of either Party.

7. The date of establishment of the arbitration panel shall be the date on which the last of the three arbitrators is selected.

8. Replacement of arbitrators shall take place only for the reasons and according to the procedures detailed in Rules 19 to 25 of Annex 9 (Rules of Procedure for Arbitration).

ARTICLE 3.30

Preliminary Ruling on Urgency

If a Party so requests, the arbitration panel shall give a preliminary ruling within ten days of its establishment on whether it deems the case to be urgent.

ARTICLE 3.31

Interim Panel Report

1. The arbitration panel shall issue an interim report to the Parties setting out the findings of fact, the applicability of relevant provisions and the basic rationale behind any findings and recommendations, not later than ninety days from the date of establishment of the arbitration panel. Where it considers that this deadline cannot be met, the chairperson of the arbitration panel must notify the Parties and the Committee in writing, stating the reasons for the delay and the date on which the arbitration panel plans to issue its interim report. Under no circumstances should the arbitration panel issue its interim report later than 120 days after the date of its establishment.

2. Any Party may submit a written request for the arbitration panel to review precise aspects of the interim report within thirty days of its notification.

3. In cases of urgency the arbitration panel shall make every effort to issue its interim report and any Party may submit a written request for the arbitration panel to review precise aspects of the interim report, within half of the respective time frames under paragraphs 1 and 2.

4. After considering any written comments by the Parties on the interim report, the arbitration panel may modify its report and make any further examination it considers appropriate. The findings of the final panel ruling shall include a sufficient discussion of the arguments made at the interim review stage, and shall answer clearly to the written comments of the two Parties.

ARTICLE 3.32

Arbitration Panel Ruling

1. The arbitration panel shall issue its ruling to the Parties and to the Committee within 150 days from the date of the establishment of the arbitration panel. Where it considers that this deadline cannot be met, the chairperson of the arbitration panel shall notify the Parties and the Committee in writing, stating the reasons for the delay and the date on which the arbitration panel plans to issue its ruling. Under no circumstances should the arbitration panel issue its ruling later than 180 days after the date of its establishment.

2. In cases of urgency the arbitration panel shall make every effort to issue its ruling within seventy-five days from the date of its establishment. Under no circumstances should the arbitration panel issue its ruling later than ninety days after the date of its establishment.

ARTICLE 3.33

Compliance with the Arbitration Panel Ruling

Each Party shall take any measure necessary to comply in good faith with the arbitration panel ruling, and the Parties shall endeavour to agree on the period of time to comply with the ruling.

ARTICLE 3.34

Reasonable Period of Time for Compliance

1. No later than thirty days after the receipt of the notification of the arbitration panel ruling to the Parties, the Party complained against shall notify the complaining Party and the Committee of the time it will require for compliance (hereinafter referred to as "reasonable period of time"), if immediate compliance is not possible.

2. If there is disagreement between the Parties on the reasonable period of time to comply with the arbitration panel ruling, the complaining Party shall, within twenty days of the receipt of the notification made under paragraph 1 by the Party complained against, request in writing the original arbitration panel to determine the length of the reasonable period of time. Such request shall be notified simultaneously to the other Party and to the Committee. The original arbitration panel shall issue its ruling to the Parties and notify the Committee within twenty days from the date of the submission of the request.

3. In the event that any member of the original arbitration panel is no longer available, the procedures set out in Article 3.29 (Establishment of the Arbitration Panel) shall apply. The time limit for issuing the ruling shall be thirty-five days from the date of the submission of the request referred to in paragraph 2.

4. The Party complained against shall inform the complaining Party in writing of its progress to comply with the arbitration panel ruling at least one month before the expiry of the reasonable period of time.

5. The reasonable period of time may be extended by mutual agreement of the Parties.

ARTICLE 3.35

Review of Any Measure Taken to Comply with the Arbitration Panel Ruling

1. The Party complained against shall notify the complaining Party and the Committee before the end of the reasonable period of time of any measure that it has taken to comply with the arbitration panel ruling.

2. In the event that there is disagreement between the Parties concerning the existence or the consistency of any measure notified under paragraph 1 with the provisions referred to in Article 3.25 (Scope), the complaining Party may request in writing the original arbitration panel to rule on the matter. Such request shall identify the specific measure at issue and the provisions referred to in Article 3.25 (Scope) with which it considers that measure to be inconsistent, in a manner sufficient to present the legal basis for the complaint clearly, and it shall explain how such measure is inconsistent with the provisions referred to in Article 3.25 (Scope). The original arbitration panel shall notify its ruling within forty-five days of the date of the submission of the request.

3. In the event that any member of the original arbitration panel is no longer available, the procedures set out in Article 3.29 (Establishment of the Arbitration Panel) shall apply. The time limit for issuing the ruling shall be sixty days from the date of the submission of the request referred to in paragraph 2.

ARTICLE 3.36

Temporary Remedies in Case of Non-compliance

1. If the Party complained against fails to notify any measure taken to comply with the arbitration panel ruling before the expiry of the reasonable period of time, or if the arbitration panel rules that no measure taken to comply exists or that the measure notified under paragraph 1 of Article 3.35 (Review of Any Measure Taken to Comply with the Arbitration Panel Ruling) is inconsistent with that Party's obligations under the provisions referred to in Article 3.25 (Scope), the Party complained against shall enter into negotiations with the complaining Party with a view to developing mutually acceptable agreement on compensation.

2. If no agreement on compensation is reached within thirty days after the end of the reasonable period of time or of the issuance of the arbitration panel ruling under Article 3.35 (Review of Any Measure Taken to Comply with the Arbitration Panel Ruling) that no measure taken to comply exists or that a measure taken to comply is inconsistent with the provisions referred to in Article 3.25 (Scope), the complaining Party shall be entitled, upon notification to the other Party and to the Committee, to take appropriate measures at a level equivalent to the nullification or impairment caused by the violation. The notification shall specify such measures. The complaining Party may take such measures at any moment after the expiry of ten days after the date of receipt of the notification by the Party complained against, unless the Party complained against has requested arbitration under paragraph 3.

3. If the Party complained against considers that the measures taken by the complaining Party are not equivalent to the nullification or impairment caused by the violation, it may request in writing the original arbitration panel to rule on the matter. Such request shall be notified to the complaining Party and to the Committee before the expiry of the ten-day period referred to in paragraph 2. The original arbitration panel, having sought, if appropriate, the opinion of experts, shall notify its ruling on the level of the suspension of obligations to the Parties and to the Committee within thirty days of the date of the submission of the request. Measures shall not be taken until the original arbitration panel has notified its ruling, and any measure shall be consistent with the arbitration panel ruling.

4. In the event that any member of the original arbitration panel is no longer available, the procedures laid down in Article 3.29 (Establishment of the Arbitration Panel) shall apply. The period for issuing the ruling shall be forty-five days from the date of the submission of the request referred to in paragraph 3.

5. The measures foreseen in this Article shall be temporary and shall not be applied after:

(a) the Parties have reached a mutually agreed solution pursuant to Article 3.39 (Mutually Agreed Solution); or

(b) the Parties have reached an agreement on whether the measure notified under paragraph 1 of Article 3.37 (Review of Any Measure Taken to Comply After the Adoption of Temporary Remedies for Non-Compliance) brings the Party complained against into conformity with the provisions referred to in Article 3.25 (Scope); or

(c) any measure found to be inconsistent with the provisions referred to in Article 3.25 (Scope) has been withdrawn or amended so as to bring it into conformity with those provisions, as ruled under paragraph 2 of Article 3.37 (Review of Any Measure Taken to Comply After the Adoption of Temporary Remedies for Non-Compliance).

ARTICLE 3.37

Review of Any Measure Taken to Comply After the Adoption of Temporary Remedies for Non-Compliance

1. The Party complained against shall notify the complaining Party and the Committee of any measure it has taken to comply with the ruling of the arbitration panel and of its request for the termination of the measures applied by the complaining Party.

2. If the Parties do not reach an agreement on whether the notified measure brings the Party complained against into conformity with the provisions referred to in Article 3.25 (Scope) within thirty days of the date of receipt of the notification, the complaining Party shall request in writing the original arbitration panel to rule on the matter. Such request shall be notified simultaneously to the other Party and to the Committee. The arbitration panel ruling shall be notified to the Parties and to the Committee within forty-five days of the date of the submission of the request. If the arbitration panel rules that any measure taken to comply is in conformity with the provisions referred to in Article 3.25 (Scope), the measures referred to in Article 3.36 (Temporary Remedies in Case of Non-compliance) shall be terminated.

ARTICLE 3.38

Suspension and Termination of Arbitration Procedures

1. The arbitration panel shall, at the written request of both Parties, suspend its work at any time for a period agreed by the Parties not exceeding twelve months and shall resume its work at the end of this agreed period at the written request of the complaining Party, or before the end of this agreed period at the written request of both Parties. If the complaining Party does not request the resumption of the arbitration panel's work before the expiry of the agreed suspension period, the dispute settlement procedures initiated pursuant to this Section shall be deemed terminated. Subject to Article 3.45 (Relation with WTO Obligations), the suspension and termination of the arbitration panel's work are without prejudice to the rights of either Party in other proceedings.

2. The Parties may, at any time, agree in writing to terminate the dispute settlement procedures initiated pursuant to this Section.

ARTICLE 3.39

Mutually Agreed Solution

The Parties may reach a mutually agreed solution to a dispute under this Section at any time. They shall notify the Committee and the arbitration panel, if any, of such a solution. If the solution requires approval pursuant to the relevant domestic procedures of either Party, the notification shall refer to this requirement, and the dispute settlement procedures initiated pursuant to this Section shall be suspended. If such approval is not required, or upon notification of the completion of any such domestic procedures, the procedure shall be terminated.

ARTICLE 3.40

Rules of Procedure

1. Dispute settlement procedures under this Section shall be governed by Annex 9 (Rules of Procedure for Arbitration).

2. Any meeting of the arbitration panel shall be open to the public in accordance with Annex 9 (Rules of Procedure for Arbitration).

ARTICLE 3.41

Submission of Information

1. At the request of a Party, or upon its own initiative, the arbitration panel may obtain information from any source, including the Parties involved in the dispute, it deems appropriate for the arbitration panel proceedings. The arbitration panel also has the right to seek the relevant opinion of experts as it deems appropriate. The arbitration panel shall consult the Parties before choosing such experts. Any information obtained in this manner must be disclosed to the Parties and submitted for their comments.

2. Interested natural or legal persons of the Parties are authorised to submit *amicus curiae* briefs to the arbitration panel in accordance with Annex 9 (Rules of Procedure for Arbitration).

ARTICLE 3.42

Rules of Interpretation

The arbitration panel shall interpret the provisions referred to in Article 3.25 (Scope) in accordance with customary rules of interpretation of public international law, including those codified in the Vienna Convention on the Law of Treaties. Where an obligation under this Agreement is identical to an obligation under the WTO Agreement, the arbitration panel shall take into account any relevant interpretation established in rulings of the WTO Dispute Settlement Body (hereinafter referred to as "DSB"). The rulings of the arbitration panel cannot add to or diminish the rights and obligations provided in the provisions referred to in Article 3.25 (Scope).

ARTICLE 3.43

Arbitration Panel Decisions and Rulings

1. The arbitration panel shall make every effort to take any decision by consensus. Where, nevertheless, a decision cannot be arrived at by consensus, the matter at issue shall be decided by majority vote.

2. Any ruling of the arbitration panel shall be binding on the Parties and shall not create any rights or obligations to physical or legal persons. The ruling shall set out the findings of fact, the applicability of the relevant provisions referred to in Article 3.25 (Scope) and the rationale behind any findings and conclusions that it makes. The Committee shall make the arbitration panel ruling publicly available in its entirety, unless it decides not to do so in order to ensure the confidentiality of any information designated by either Party as confidential.

ARTICLE 3.44

Lists of Arbitrators

1. The Parties shall establish, upon the entry into force of this Agreement, a list of five individuals who are willing and able to serve as the chairperson of an arbitration panel referred to in Article 3.29 (Establishment of the Arbitration Panel).

2. The Committee shall, no later than six months after the entry into force of this Agreement, establish a list of at least ten individuals who are willing and able to serve as arbitrators. Each of the Parties shall propose upon the entry into force of this Agreement at least five individuals to serve as arbitrators.

3. The Committee will ensure that the list of individuals to serve as chairpersons or arbitrators, established pursuant to paragraphs 1 and 2 respectively, are maintained.

4. Arbitrators shall have specialised knowledge of or experience in law and international trade or investment, or in the settlement of disputes arising under international trade agreements. They shall be independent, serve in their individual capacities and not be affiliated with the government of either of the Parties, and shall comply with Annex 11 (Code of Conduct for Arbitrators and Mediators).

ARTICLE 3.45

Relation with WTO Obligations

1. Recourse to the dispute settlement provisions of this Section shall be without prejudice to any action in the WTO framework, including dispute settlement proceedings.

2. Notwithstanding paragraph 1, where a Party has, with regard to a particular measure, initiated dispute settlement proceedings, either under this Section or under the WTO Agreement, it may not institute dispute settlement proceedings regarding the same measure in the other forum until the first proceedings have ended. Moreover, a Party shall not initiate dispute settlement proceedings under this Section and under the WTO Agreement, unless substantially different obligations under both agreements are in dispute, or unless the forum selected fails for procedural or jurisdictional reasons to make findings on the claim seeking redress of that obligation, provided that the failure of the forum is not the result of a failure of a disputing Party to act diligently.

3. For the purposes of paragraph 2:

(a) dispute settlement proceedings under the WTO Agreement are deemed to be initiated by a Party's request for the establishment of a panel under Article 6 of the Understanding on Rules and Procedures Governing the Settlement of Disputes contained in Annex 2 of the WTO Agreement (hereinafter referred to as "DSU") and are deemed to be ended when the DSB adopts the Panel's report, and the Appellate Body's report as the case may be, under Articles 16 and 17(14) of the DSU; and

(b) dispute settlement proceedings under this Section are deemed to be initiated by a Party's request for the establishment of an arbitration panel under paragraph 1 of Article 3.28 (Initiation of Arbitration Procedure) and are deemed to be ended when the arbitration panel issues its ruling to the Parties and to the Committee under paragraph 2 of Article 3.32 (Arbitration Panel Ruling) or when the parties have reached a mutually agreed solution under Article 3.39 (Mutually Agreed Solution).

4. Nothing in this Section shall preclude a Party from implementing the suspension of obligations authorised by the DSB. Neither the WTO Agreement nor the EUSFTA shall be invoked to preclude a Party from taking appropriate measures under Article 3.36 (Temporary Remedies in Case of Non-compliance) of this Section.

ARTICLE 3.46

Time Limits

1. All time limits laid down in this Section, including the limits for the arbitration panels to notify their rulings, shall be counted in calendar days, the first day being the day following the act or fact to which they refer, unless otherwise specified.

2. Any time limit referred to in this Section may be modified by mutual agreement of the Parties.

CHAPTER FOUR

INSTITUTIONAL, GENERAL AND FINAL PROVISIONS

ARTICLE 4.1

Committee

1. Parties hereby establish a Committee comprising representatives of the EU Party and Singapore.

2. The Committee shall normally meet every two years in the Union or Singapore alternately or without undue delay at the request of either Party. The Committee shall be co-chaired by the Minister for Trade and Industry of Singapore and the Member of the European Commission responsible for Trade, or their respective delegates. The Committee shall agree on its meeting schedule and set its agenda, and may adopt its own rules of procedure.

3. The Committee shall:

(a) ensure that this Agreement operates properly;

(b) supervise and facilitate the implementation and application of this Agreement, and further its general aims;

(c) consider ways to further enhance investment relations between the Parties;

(d) examine difficulties which may arise in the implementation of Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties) and consider possible improvements thereto, in particular in the light of experience and developments in other international fora;

(e) review generally the functioning of Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties), including taking into account any issues arising from efforts to establish the multilateral dispute settlement mechanism contemplated in Article 3.12 (Multilateral Dispute Settlement Mechanism);

(f) without prejudice to Chapter Three (Dispute Settlement), seek to solve problems which might arise in areas covered by this Agreement, or resolve disputes that may arise regarding the interpretation or application of this Agreement; and

(g) consider any other matter of interest relating to an area covered by this Agreement.

4. The Committee may, on agreement of the Parties and after completion of their respective legal requirements and procedures, decide to:

(a) appoint the Members of the Tribunal and the Members of the Appeal Tribunal pursuant to Articles 3.9(2) (Tribunal of First Instance) and 3.10(2) (Appeal Tribunal), to increase or decrease the number of the Members pursuant to Articles 3.9(3) and 3.10(3), and to remove a Member from the Tribunal or Appeal Tribunal pursuant to Article 3.11(5) (Ethics);

(b) fix the monthly retainer fee of the Members of the Tribunal and of the Appeal Tribunal pursuant to Articles 3.9(12) and 3.10(11) and the amount of the daily fees of the Members serving on a division of the Appeal Tribunal and of the Presidents of the Tribunal and Appeal Tribunal pursuant to Articles 3.10(12) and 3.9(13);

(c) transform the retainer fee and other fees and expenses of the Members of the Tribunal and Appeal Tribunal into a regular salary pursuant to Articles 3.9(15) and 3.10(13);

(d) specify any necessary transitional arrangements pursuant to Article 3.12 (Multilateral Dispute Settlement Mechanism);

(e) adopt supplemental rules on fees pursuant to Article 3.21(5) (Costs);

(f) adopt interpretations of the provisions of this Agreement, which shall be binding on the Parties and all bodies set up under this Agreement, including the Tribunal and the Appeal Tribunal referred to under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties), and the arbitration panels referred to under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties); and

(g) adopt rules supplementing the applicable dispute settlement rules or the rules included in the Annexes. Such rules shall be binding on the Tribunal and on the Appeal Tribunal referred to under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties), and the arbitration panels referred to under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties).

ARTICLE 4.2

Decision-making

1. The Parties may take decisions in the Committee, where provided for in this Agreement. The decisions taken shall be binding on the Parties, which shall take the measures necessary to implement the decisions taken.

2. The Committee may make appropriate recommendations, where provided for in this Agreement.

3. The Committee shall draw up its decisions and recommendations by agreement between the Parties.

ARTICLE 4.3

Amendments

1. The Parties may agree to amend this Agreement. An amendment shall enter into force after the Parties exchange written notifications certifying that they have completed their respective applicable legal requirements and procedures, as set out in the instrument of amendment.

2. Notwithstanding paragraph 1, the Parties may, in the Committee, adopt a decision amending this Agreement where provided for in this Agreement.

ARTICLE 4.4

Prudential carve out

1. Nothing in this Agreement shall be construed to prevent a Party from adopting or maintaining reasonable measures for prudential reasons, such as:

(a) the protection of investors, depositors, policy-holders or persons to whom a fiduciary duty is owed by a financial service supplier;

(b) the maintenance of the safety, soundness, integrity or financial responsibility of financial service suppliers; or

(c) ensuring the integrity and stability of the Party's financial system.

2. These measures shall not be more burdensome than necessary to achieve their aim and shall not constitute a means of arbitrary or unjustifiable discrimination against financial service suppliers of the other Party in comparison to its own like financial service suppliers or a disguised restriction on trade in services.

3. Nothing in this Agreement shall be construed to require a Party to disclose information relating to the affairs and accounts of individual consumers or any confidential or proprietary information in the possession of public entities.

ARTICLE 4.5

Security Exceptions

Nothing in this Agreement shall be construed to:

(a) require either Party to furnish any information, the disclosure of which it considers contrary to its essential security interests;

(b) prevent either Party from taking any action which it considers necessary for the protection of its essential security interests:

(i) connected with the production of or trade in arms, munitions and war materials and related to traffic in other goods and materials and to economic activities carried out directly or indirectly for the purpose of provisioning a military establishment;

(ii) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;

(iii) relating to fissionable and fusionable materials or the materials from which they are derived; or

(iv) taken in time of war or other emergency in international relations, or to protect critical public infrastructure (this relates to communications, power or water infrastructure providing essential goods or services to the general public) from deliberate attempts to disable or disrupt it;

(c) prevent either Party from taking any action for the purpose of maintaining international peace and security.

ARTICLE 4.6

Taxation

1. This Agreement shall only apply to taxation measures insofar as such application is necessary to give effect to the provisions of this Agreement.[1]

2. Nothing in this Agreement shall affect the rights and obligations of either Singapore, or the Union or any of its Member States, under any tax agreement between Singapore and the Union or any of its Member States. In the event of any inconsistency between this Agreement and any such agreement, that agreement shall prevail to the extent of the inconsistency. In the case of a tax agreement between Singapore and the Union or one of its Member States, the competent authorities under that agreement shall have sole responsibility for determining whether any inconsistency exists between this Agreement and that agreement.

[1] The term "provisions of this Agreement" means the provisions that accord: (a) non-discriminatory treatment to investors in the manner and to the extent provided for in Article 2.3 (National Treatment); and (b) protection to investors and their investments against expropriation in the manner and to the extent provided for in Article 2.6 (Expropriation).

3. Nothing in this Agreement shall prevent either Party from adopting or maintaining any taxation measure which differentiates between taxpayers based on rational criteria, such as taxpayers who are not in the same situation, in particular with regard to their place of residence or with regard to the place where their capital is invested.[1]

4. Nothing in this Agreement shall prevent the adoption or maintenance of any measure aimed at preventing the avoidance or evasion of taxes pursuant to the tax provisions of agreements to avoid double taxation or other tax arrangements or domestic fiscal legislation.

5. Nothing in this Agreement shall prevent Singapore from adopting or maintaining taxation measures which are needed to protect Singapore's overriding public policy interests arising out of its specific constraints of space.

ARTICLE 4.7

Specific Exception

Nothing in this Agreement applies to activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies.

[1] For greater certainty, the Parties share an understanding that nothing in this Agreement shall prevent any taxation measure aimed at social welfare, public health or other socio-community objectives, or at macroeconomic stability; or tax benefits linked to place of incorporation and not the nationality of the person owning the company. Taxation measures aimed at macroeconomic stability are measures in reaction to movements and trends in the national economy to address or to prevent systemic imbalances which seriously threaten the stability of the national economy.

ARTICLE 4.8

Sovereign Wealth Funds

Each Party shall encourage its sovereign wealth funds to respect the Generally Accepted Principles and Practices – Santiago Principles.

ARTICLE 4.9

Disclosure of Information

1. Nothing in this Agreement shall be construed to require a Party to make available confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. When a Party submits information to the Committee which is considered as confidential under its laws and regulations, the other Party shall treat that information as confidential, unless the submitting Party agrees otherwise.

ARTICLE 4.10

Fulfilment of Obligations

The Parties shall take any general or specific measures required to fulfil their obligations under this Agreement. They shall see to it that the objectives set out in this Agreement are attained.

ARTICLE 4.11

No Direct Effect

For greater certainty, nothing in this Agreement shall be construed as conferring rights or imposing obligations on persons, other than those created between the Parties under public international law.

ARTICLE 4.12

Relationship with other Agreements

1. This Agreement shall be an integral part of the overall bilateral relations as governed by the EUSPCA and shall form part of a common institutional framework. It constitutes a specific agreement giving effect to the trade provisions of the EUSPCA.

2. For greater certainty, the Parties agree that nothing in this Agreement requires them to act in a manner inconsistent with their obligations under the WTO Agreement.

3. (a) Upon the entry into force of this Agreement, the agreements between Member States of the Union and Singapore listed in Annex 5 (Agreements Referred to in Article 4.12) including the rights and obligations derived therefrom, shall be terminated and cease to have effect, and shall be replaced and superseded by this Agreement.

(b) In the event of the provisional application of this Agreement in accordance with paragraph 4 of Article 4.15 (Entry into Force), the application of the provisions of the agreements listed in Annex 5 (Agreements Referred to in Article 4.12), as well as the rights and obligations derived therefrom, shall be suspended as of the date of provisional application. In the event the provisional application of this Agreement is terminated and this Agreement does not enter into force, the suspension shall cease and the agreements listed in Annex 5 (Agreements Referred to in Article 4.12) shall have effect.

(c) Notwithstanding subparagraphs 3(a) and 3(b), a claim may be submitted pursuant to the provisions of an agreement listed in Annex 5 (Agreements Referred to in Article 4.12), regarding treatment accorded while the said agreement was in force, pursuant to the rules and procedures established in that agreement, and provided that no more than three years have elapsed since the date of suspension of the agreement pursuant to subparagraph 3(b), or, if the agreement is not suspended pursuant to subparagraph 3(b), the date of entry into force of this Agreement.

(d) Notwithstanding subparagraphs 3(a) and 3(b), if the provisional application of this Agreement is terminated and this Agreement does not enter into force, a claim may be submitted pursuant to Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties) regarding treatment accorded during the period of the provisional application of this Agreement provided no more than three years have elapsed since the date of termination of the provisional application.

For the purposes of this paragraph, the definition of "entry into force of this Agreement" provided in subparagraph 4(d) of Article 4.15 (Entry into Force) shall not apply.

ARTICLE 4.13

Territorial Application

This Agreement shall apply:

(a) with respect to the EU Party, to the territories in which the Treaty on European Union and the Treaty on the Functioning of the European Union are applied and under the conditions laid down in those Treaties; and

(b) with respect to Singapore, to its territory.

References to "territory" in this Agreement shall be understood in this sense, except as otherwise expressly provided.

ARTICLE 4.14

Annexes, Appendices, Joint Declarations, Protocols and Understandings

The Annexes, Appendices, Joint Declarations, Protocols and Understandings to this Agreement shall form an integral part thereof.

ARTICLE 4.15

Entry into Force

1. This Agreement shall be approved by the Parties in accordance with their own procedures.

2. This Agreement shall enter into force on the first day of the second month following that in which the Parties exchange written notifications certifying that they have completed their respective applicable legal requirements and procedures for the entry into force of this Agreement. The Parties may by agreement fix another date.

3. Notifications shall be sent to the Secretary General of the Council of the Union and to the Director, North America and Europe Division, Singapore Ministry of Trade and Industry, or their respective successors.

4. (a) This Agreement shall be provisionally applied from the first day of the month following the date on which the Union and Singapore have notified each other of the completion of their respective relevant procedures. The Parties may by mutual agreement fix another date.

(b) In the event that certain provisions of this Agreement cannot be provisionally applied, the Party which cannot undertake such provisional application shall notify the other Party of the provisions which cannot be provisionally applied.

Notwithstanding subparagraph 4(a), provided the other Party has completed the necessary procedures and does not object to provisional application within ten days of the notification that certain provisions cannot be provisionally applied, the provisions of this Agreement which have not been notified shall be provisionally applied the first day of the month following the notification.

(c) The Union or Singapore may terminate provisional application by written notice to the other Party. Such termination shall take effect on the first day of the second month following notification.

(d) Where this Agreement, or certain provisions thereof, is provisionally applied, the term "entry into force of this Agreement" shall be understood to mean the date of provisional application. The Committee may exercise their functions during the provisional application of this Agreement. Any decisions adopted in the exercise of these functions will only cease to be effective if the provisional application of this Agreement is terminated and this Agreement does not enter into force.

ARTICLE 4.16

Duration

1. This Agreement shall be valid indefinitely.

2. Either the EU Party or Singapore may notify in writing the other Party of its intention to terminate this Agreement.

3. This Agreement shall be terminated six months after the notification under paragraph 2 without prejudice to Article 4.17 (Termination).

4. Within 30 days of delivery of a notification under paragraph 2, either Party may request consultations regarding whether the termination of any provision of this Agreement should take effect at a later date than provided under paragraph 2. Such consultations shall commence within 30 days of a Party's delivery of such request.

ARTICLE 4.17

Termination

In the event that this Agreement is terminated pursuant to Article 4.16 (Duration), this Agreement shall continue to be effective for a further period of twenty years from that date in respect of covered investments made before the date of termination of the present Agreement. This Article shall not apply in the case of the termination of provisional application of this Agreement and this Agreement does not enter into force.

ARTICLE 4.18

Accession of new Member States of the Union

1. The Union shall notify Singapore without undue delay of any request for accession of a third country to the Union.

2. During the negotiations between the Union and the candidate country seeking accession, the Union shall endeavour to:

(a) provide, upon the request of Singapore, and to the extent possible, any information regarding any matter covered by this Agreement; and

(b) take into account any concerns expressed by Singapore.

3. The Union shall notify Singapore as soon as feasible about the outcome of accession negotiations with the candidate country seeking accession to the Union, and notify Singapore of the entry into force of any accession to the Union.

4. The Committee shall examine any effects of such accession on this Agreement sufficiently in advance of the date of accession and shall decide on any necessary adjustment or transition arrangements.

5. Any new Member State of the Union shall accede to this Agreement by depositing an act of accession to this Agreement with the General Secretariat of the Council of the European Union and the Director, North America and Europe Division, Singapore Ministry of Trade and Industry, or their respective successors.

ARTICLE 4.19

Authentic Texts

This Agreement is drawn up in duplicate in the Bulgarian, Croatian, Czech, Estonian, Danish, Dutch, English, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, each of these texts being equally authentic.

EUROPEAN
COMMISSION

Brussels, 18.4.2018
COM(2018) 195 final

ANNEX 2

ANNEX

to the

Proposal for a Council Decision

on the signing, on behalf of the European Union, of the Investment Protection Agreement between the European Union and its Member States the one part, and the Republic of Singapore, of the other part

ANNEX 1

EXPROPRIATION

The Parties confirm their shared understanding that:

1. Article 2.6 (Expropriation) addresses two situations. The first is direct expropriation where a covered investment is nationalised or otherwise directly expropriated through formal transfer of title or outright seizure. The second is indirect expropriation where a measure or series of measures by a Party has an effect equivalent to direct expropriation in that it substantially deprives the covered investor of the fundamental attributes of property in its covered investment, including the right to use, enjoy and dispose of its covered investment, without formal transfer of title or outright seizure.

2. The determination of whether a measure or series of measures by a Party, in a specific situation, constitutes an indirect expropriation requires a case-by-case, fact-based inquiry that considers, among other factors:

   (a) the economic impact of the measure or series of measures and its duration, although the fact that a measure or a series of measures by a Party has an adverse effect on the economic value of an investment, standing alone, does not establish that an indirect expropriation has occurred;

(b) the extent to which the measure or series of measures interferes with the possibility to use, enjoy or dispose of the property; and

(c) the character of the measure or series of measures, notably its object, context and intent.

For greater certainty, except in the rare circumstance where the impact of a measure or series of measures is so severe in light of its purpose that it appears manifestly excessive, non-discriminatory measure or series of measures by a Party that are designed and applied to protect legitimate public policy objectives such as public health, safety and the environment, do not constitute indirect expropriation.

ANNEX 2

LAND EXPROPRIATION

1. Notwithstanding Article 2.6 (Expropriation), where Singapore is the expropriating Party, any measure of expropriation relating to land, which shall be as defined in the Land Acquisition Act (Chapter 152)[1], shall be upon payment of compensation at market value in accordance with the aforesaid legislation.

2. For the purposes of this Agreement, any measure of expropriation under the Land Acquisition Act (Chapter 152) should be for a public purpose or incidental to a public purpose.

_____

[1] Land Acquisition Act (Chapter 152) as of the date of the entry into force of this Agreement.

ANNEX 3

EXPROPRIATION AND INTELLECTUAL PROPERTY RIGHTS

For greater certainty, the revocation, limitation or creation of intellectual property rights, to the extent that the measure is consistent with the TRIPS Agreement and Chapter Ten (Intellectual Property) of EUSFTA, does not constitute expropriation. Moreover, a determination that the measure is inconsistent with the TRIPS Agreement and Chapter Ten (Intellectual Property) of EUSFTA does not establish that there has been an expropriation.

ANNEX 4

PUBLIC DEBT

1. No claim that a restructuring of debt of a Party breaches an obligation of Chapter Two (Investment Protection) may be submitted to, or if already submitted, be pursued under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties) if the restructuring is a negotiated restructuring at the time of submission, or becomes a negotiated restructuring after such submission, except for a claim that the restructuring violates Article 2.3 (National Treatment)[1].

2. Notwithstanding Article 3.6 (Submission of Claim to Tribunal) under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties), and subject to paragraph 1 of this Annex, an investor may not submit a claim under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties) that a restructuring of debt of a Party breaches an obligation under Chapter Two (Investment Protection) other than Article 2.3 (National Treatment), unless 270 days have elapsed from the date of submission by the claimant of the written request for consultations pursuant to Article 3.3 (Consultations) under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties).

[1] For the purpose of this Annex, the mere fact that the relevant treatment distinguishes between investors or investments on the basis of legitimate public policy objectives in the context of a debt crisis or threat thereof does not amount to a breach of Article 2.3 (National Treatment).

3. For the purposes of this Annex:

"negotiated restructuring" means the restructuring or rescheduling of debt of a Party that has been effected through (i) a modification or amendment of debt instruments, as provided for under their terms, including their governing law, or (ii) a debt exchange or other similar process in which the holders of no less than 75 % of the aggregate principal amount of the outstanding debt subject to restructuring have consented to such debt exchange or other process.

"governing law" of a debt instrument means a jurisdiction's legal and regulatory framework applicable to that debt instrument.

4. For greater certainty, "debt of a Party" includes, in the case of the European Union, debt of a government of a Member State, or of a Government in a Member State, at the central, regional or local level.

ANNEX 5

AGREEMENTS REFERRED TO IN ARTICLE 4.12

The agreements between Member States of the European Union and Singapore are:

1. Agreement between the Government of the Republic of Singapore and the Government of the Republic of Bulgaria on the Mutual Promotion and Protection of Investments, done at Singapore on 15 September 2003;

2. Agreement between the Government of the Republic of Singapore and the Belgo-Luxemburg Economic Union on the Promotion and Protection of Investments, done at Brussels on 17 November 1978;

3. Agreement between the Government of the Republic of Singapore and the Government of the Czech Republic on the Promotion and Protection of Investments, done at Singapore on 8 April 1995;

4. Treaty between the Federal Republic of Germany and the Republic of Singapore concerning the Promotion and Reciprocal Protection of Investments, done at Singapore on 3 October 1973;

5. Agreement between the Government of the Republic of Singapore and the Government of the Republic of France concerning the Promotion and the Protection of Investments, done at Paris on 8 September 1975;

6. Agreement between the Government of the Republic of Singapore and the Government of the Republic of Latvia on the Promotion and Protection of Investments, done at Singapore on 7 July 1998;

7. Agreement between the Republic of Singapore and the Republic of Hungary on the Promotion and Protection of Investments, done at Singapore on 17 April 1997;

8. Agreement on Economic Cooperation between the Government of the Kingdom of the Netherlands and the Government of the Republic of Singapore, done at Singapore on 16 May 1972;

9. Agreement between the Government of the Republic of Singapore and the Government of the Republic of Poland on the Promotion and Protection of Investments, done at Warsaw, Poland, on 3 June 1993;

10. Agreement between the Government of the Republic of Singapore and the Government of the Republic of Slovenia on the Mutual Promotion and Protection of Investments, done at Singapore on 25 January 1999;

11. Agreement between the Republic of Singapore and the Slovak Republic on the Promotion and Reciprocal Protection of Investments, done at Singapore on 13 October 2006; and

12. Agreement between the Government of the Republic of Singapore and the Government of the United Kingdom of Great Britain and Northern Ireland for the Promotion and Protection of Investments, done at Singapore on 22 July 1975.

ANNEX 6

MEDIATION MECHANISM
FOR DISPUTES BETWEEN INVESTORS AND PARTIES

ARTICLE 1

Objective

The objective of the mediation mechanism is to facilitate the finding of a mutually agreed solution through a comprehensive and expeditious procedure with the assistance of a mediator.

SECTION A

PROCEDURE UNDER THE MEDIATION MECHANISM

ARTICLE 2

Initiation of the Procedure

1. A disputing party may request, at any time, the initiation of a mediation procedure. Such request shall be addressed to the other party in writing.

2. The party to which the request is addressed shall give sympathetic consideration to the request and reply by accepting or rejecting it in writing within ten days of its receipt.

3. Where the request relates to any treatment by an institution, body or agency of the Union or by any Member State of the Union, and no respondent has been determined pursuant to paragraph 2 of Article 3.5 (Notice of Intent), the request shall be addressed to the Union. If the Union accepts the request, the response shall specify whether the Union or the Member State concerned will be a party to the mediation procedure.[1]

ARTICLE 3

Selection of the Mediator

1. The disputing parties shall endeavour to agree on a mediator no later than fifteen days after the receipt of the reply to the request referred to in paragraph 2 of Article 2 (Initiation of the Procedure) of this Annex. Such agreement may include appointing a mediator from the Members of the Tribunal established according to Article 3.9 (Tribunal of First Instance).

[1] For greater certainty, where the request concerns treatment by the European Union, the party to the mediation shall be the European Union and any Member State concerned shall be fully associated in the mediation. Where the request concern exclusively treatment by a Member State, the party to the mediation shall be the Member State concerned, unless it requests the European Union to be party.

2. If the disputing parties cannot agree on the mediator pursuant to paragraph 1, either disputing party may request the President of the Tribunal to draw the mediator by lot from the Members of the Tribunal established pursuant to Article 3.9 (Tribunal of First Instance). The President of the Tribunal shall select the mediator within ten working days of the request by either disputing party.

3. A mediator shall not be a national of either Party, unless the disputing parties agree otherwise.

4. The mediator shall assist, in an impartial and transparent manner, the disputing parties in bringing clarity to the measure and its possible adverse effects on investment, and reaching a mutually agreed solution.

ARTICLE 4

Rules of the Mediation Procedure

1. Within ten days after the appointment of the mediator, the disputing party having invoked the mediation procedure shall present, in writing, a detailed description of the problem to the mediator and to the other disputing party, in particular of the operation of the measure at issue and its adverse effects on investment. Within twenty days after the date of delivery of this submission, the other disputing party may provide, in writing, its comments to the description of the problem. Either disputing party may include in its description or comments any information that it deems relevant.

2. The mediator may decide on the most appropriate way of bringing clarity to the measure concerned, and its possible adverse effects on investment. In particular, the mediator may organise meetings between the disputing parties, consult the disputing parties jointly or individually, seek the assistance of or consult with relevant experts and stakeholders and provide any additional support requested by the disputing parties. However, before seeking the assistance of or consulting with relevant experts and stakeholders, the mediator shall consult with the disputing parties.

3. The mediator may offer advice and propose a solution for consideration of the disputing parties who may accept or reject the proposed solution or may agree on a different solution. However, the mediator shall not advise or give comments on the consistency of the measure at issue with Chapter Two (Investment Protection).

4. The procedure shall take place in the territory of the disputing party to which the request was addressed or by mutual agreement, in any other location or by any other means.

5. The disputing parties shall endeavour to reach a mutually agreed solution within sixty days from the appointment of the mediator. Pending a final agreement, the disputing parties may consider possible interim solutions.

6. Mutually agreed solutions shall be made publicly available. However, the version disclosed to the public may not contain any information that a disputing party has designated as confidential.

7. The procedure shall be terminated:

(a) by the adoption of a mutually agreed solution by the disputing parties, on the date of adoption;

(b) by a mutual agreement of the disputing parties at any stage of the procedure, on the date of that agreement;

(c) by a written declaration of the mediator, after consultation with the disputing parties, that further efforts at mediation would be to no avail, on the date of that declaration;

(d) by a written declaration of a disputing party after exploring mutually agreed solutions under the mediation procedure and after having considered any advice and proposed solutions by the mediator, on the date of that declaration.

SECTION B

IMPLEMENTATION

ARTICLE 5

Implementation of a Mutually Agreed Solution

1. Where the disputing parties have agreed to a solution, each disputing party shall take the measures necessary to implement the mutually agreed solution within the agreed timeframe.

2. The implementing disputing party shall inform the other disputing party in writing of any steps or measures taken to implement the mutually agreed solution.

3. On request of the disputing parties, the mediator shall issue to the disputing parties, in writing, a draft factual report, providing a brief summary of:

   (a) the measure at issue in these procedures;

   (b) the procedures followed; and

   (c) any mutually agreed solution reached as the final outcome of these procedures, including possible interim solutions.

   The mediator shall provide the disputing parties fifteen working days to comment on the draft report. After considering the comments of the disputing parties submitted within the period, the mediator shall submit, in writing, a final factual report to the disputing parties within fifteen working days. The factual report shall not include any interpretation of this Agreement.

SECTION C

GENERAL PROVISIONS

ARTICLE 6

Relationship to Dispute Settlement

1. The mediation procedure is not intended to serve as a basis for dispute settlement procedures under this Agreement or another agreement. A disputing party shall not rely on or introduce as evidence in such dispute settlement procedures, nor shall any adjudicatory body, tribunal or panel take into consideration:

   (a) positions taken by the other disputing party in the course of the mediation procedure;

   (b) the fact that the other disputing party has indicated its willingness to accept a solution to the measure subject to mediation; or

   (c) advice given or proposals made by the mediator.

2. The mediation mechanism is without prejudice to the legal positions of the Parties and the disputing parties under Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties) or Section B (Resolution of Disputes between Parties).

3. Without prejudice to paragraph 6 of Article 4 (Rules of the Mediation Procedure) of this Annex and unless the disputing parties agree otherwise, all steps of the procedure, including any advice or proposed solution, shall be confidential. However, any disputing party may disclose to the public that mediation is taking place.

ARTICLE 7

Time Limits

Any time limit referred to in this Annex may be modified by mutual agreement between the disputing parties.

ARTICLE 8

Costs

1. Each disputing party shall bear its own expenses derived from the participation in the mediation procedure.

2. The disputing parties shall share jointly and equally the expenses derived from organisational matters, including the remuneration and expenses of the mediator. The fees and expenses of the mediators shall be in accordance with those determined pursuant to Regulation 14(1) of the Administrative and Financial Regulations of the ICSID Convention in force on the date of the initiation of the mediation.

ANNEX 7

CODE OF CONDUCT FOR MEMBERS OF THE TRIBUNAL, THE APPEAL TRIBUNAL AND MEDIATORS

Definitions

1. In this Code of Conduct:

"Member" means a Member of the Tribunal or a Member of the Appeal Tribunal established pursuant to Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties);

"mediator" means a person who conducts mediation in accordance with Chapter Three (Dispute Settlement) Section A (Resolution of Disputes between Investors and Parties);

"candidate" means an individual who is under consideration for selection as a Member;

"assistant" means a person who, under the terms of appointment of a Member, conducts research or provides assistance to the Member;

"staff", in respect of a Member, means persons under the direction and control of the Member, other than assistants.

Responsibilities to the process

2. Every candidate and Member shall avoid impropriety and the appearance of impropriety, shall be independent and impartial, shall avoid direct and indirect conflicts of interests and shall observe high standards of conduct so that the integrity and impartiality of the dispute settlement mechanism is preserved. Members shall not take instructions from any organisation or government with regard to matters before the Tribunal or the Appeal Tribunal. Former Members must comply with the obligations established in paragraphs 15 through 21 of this Code of Conduct.

Disclosure obligations

3. Prior to his or her appointment as a Member, a candidate shall disclose to the Parties any past or present interest, relationship or matter that is likely to affect his or her independence or impartiality or that might reasonably create an appearance of impropriety or bias. To this end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships and matters.

4. A Member shall communicate matters concerning actual or potential violations of this Code of Conduct to the disputing parties and the non-disputing Party.

5. Members shall at all times continue to make all reasonable efforts to become aware of any interests, relationships or matters referred to in paragraph 3 of this Code of Conduct and shall disclose them. The disclosure obligation is a continuing duty which requires a Member to disclose any such interests, relationships or matters that may arise during any stage of the proceeding at the earliest time the Member becomes aware of it. The Member shall disclose such interests, relationships or matters by informing the disputing parties and the non-disputing Party, in writing, for their consideration.

Duties of Members

6. A Member shall perform his or her duties thoroughly and expeditiously throughout the course of the proceeding and with fairness and diligence.

7. A Member shall consider only those issues raised in the proceeding and necessary for a ruling and shall not delegate this duty to any other person.

8. A Member shall take all appropriate steps to ensure that his or her assistants and staff are aware of, and comply with paragraphs 2, 3, 4, 5, 19, 20 and 21 of this Code of Conduct.

9. A Member shall not engage in *ex parte* contacts concerning the proceeding.

Independence and impartiality of Members

10. A Member must be independent and impartial and avoid creating an appearance of bias or impropriety and shall not be influenced by self-interest, outside pressure, political considerations, public clamour, loyalty to a disputing party or a non-disputing Party or fear of criticism.

11. A Member shall not, directly or indirectly, incur any obligation or accept any benefit that would in any way interfere or appear to interfere, with the proper performance of his or her duties.

12. A Member may not use his or her position on the Tribunal to advance any personal or private interests and shall avoid actions that may create the impression that others are in a special position to influence him or her.

13. A Member may not allow financial, business, professional, family or social relationships or responsibilities to influence his or her conduct or judgement.

14. A Member must avoid entering into any relationship or acquiring any financial interest that is likely to affect him or her impartiality or that might reasonably create an appearance of impropriety or bias.

Obligations of former Members

15. All former Members must avoid actions that may create the appearance that they were biased in carrying out their duties or derived any advantage from the decision or ruling of the Tribunal or the Appeal Tribunal.

16. Without prejudice to Article 3.9(5) (Tribunal of First Instance) and Article 3.10(4) (Appeal Tribunal), Members shall undertake that after the end of their term, they shall not become involved in any manner whatsoever:

    (a) in investment disputes which were pending before the Tribunal or the Appeal Tribunal before the end of their term;

    (b) in investment disputes directly and clearly connected with disputes, including concluded disputes, which they have dealt with as Members of the Tribunal or the Appeal Tribunal.

17. Members shall undertake that for a period of three years after the end of their term, they shall not act as representatives of one of the disputing parties in investment disputes before the Tribunal or the Appeal Tribunal.

18. If the President of the Tribunal or of the Appeal Tribunal is informed or otherwise becomes aware that a former Member of the Tribunal or of the Appeal Tribunal, respectively, is alleged to have breached the obligations set out in paragraphs 15 through 17, he shall examine the matter, and provide the opportunity to the former Member to be heard. If, after verification, he finds the alleged breach to be confirmed, he shall inform:

(a) the professional body or other such institution with which that former Member is affiliated;

(b) the Parties; and

(c) the president of any other relevant investment tribunal or appeal tribunal.

The President of the Tribunal or of the Appeal Tribunal shall make public its findings pursuant to this paragraph.

Confidentiality

19. No Member or former Member shall at any time disclose or use any non-public information concerning a proceeding or acquired during a proceeding, except for the purposes of that proceeding, and shall not, in particular, disclose or use any such information to a personal advantage or an advantage for others or to affect the interest of others.

20. A Member shall not disclose a decision or award or parts thereof prior to its publication in accordance with Annex 8.

21. A Member or former Member shall not at any time disclose the deliberations of the Tribunal or Appeal Tribunal, or any Member's view regarding the deliberations.

Expenses

22. Each Member shall keep a record and render a final account of the time devoted to the procedure and of the expenses incurred.

Mediators

23. The disciplines described in this Code of Conduct applying to Members or former Members shall apply, *mutatis mutandis*, to mediators.

Consultative Committee

24. The President of the Tribunal and the President of the Appeal Tribunal shall each be assisted by a Consultative Committee, composed of the respective Vice-President and the most senior member by age of the Tribunal and the Appeal Tribunal respectively, for ensuring the proper application of this Code of Conduct, Article 3.11 (Ethics) and for the execution of any other task, where so provided.

ANNEX 8

RULES ON PUBLIC ACCESS TO DOCUMENTS, HEARINGS AND THE POSSIBILITY OF THIRD PERSONS TO MAKE SUBMISSIONS

ARTICLE 1

1. Subject to Articles 2 and 4 of this Annex, the respondent shall, after receiving the following documents, promptly transmit them to the non-disputing Party and to the repository referred to in Article 5 of this Annex, who shall make them available to the public:

   (a) the request for consultations referred to in paragraph 1 of Article 3.3 (Consultations);

   (b) the notice of intent referred to in paragraph 1 of Article 3.5 (Notice of Intent);

   (c) the determination of the respondent referred to in paragraph 2 of Article 3.5 (Notice of Intent);

   (d) the submission of a claim referred to in Article 3.6 (Submission of Claim to Tribunal);

(e) pleadings, memorials, and briefs submitted to the Tribunal by a disputing party, expert reports, and any written submissions submitted pursuant to Article 3.17 (The non-disputing Party to the Agreement) and Article 3 of this Annex;

(f) minutes or transcripts of hearings of the Tribunal, where available; and

(g) orders, awards, and decisions of the Tribunal or, where applicable, of the President or Vice President of the Tribunal.

2. Subject to the exceptions set out in Article 4 of this Annex, the Tribunal may decide, on its own initiative or upon request from any person, and after consultation with the disputing parties, whether and how to make available any other documents provided to, or issued by, the Tribunal not falling within paragraph 1. This may include, for example, making such documents available at a specified site or through the repository referred to in Article 5 of this Annex.

ARTICLE 2

The Tribunal shall conduct hearings open to the public and shall determine, in consultation with the disputing parties, the appropriate logistical arrangements. However, any disputing party that intends to use information designated as protected information in a hearing shall so advise the Tribunal. The Tribunal shall make appropriate arrangements to protect this information from disclosure.

ARTICLE 3

1. The Tribunal may, after consultations with the disputing parties, allow a person that is not a disputing party and not a non-disputing Party to the Agreement (hereinafter referred to as "third person") to file a written submission with the Tribunal regarding a matter within the scope of the dispute.

2. A third person wishing to make a submission shall apply to the Tribunal, and shall provide the following written information in a language of the proceedings, in a concise manner, and within such page limits as may be set by the Tribunal:

   (a) description of the third person, including, where relevant, its membership and legal status (e.g. trade association or other non-governmental organisation), its general objectives, the nature of its activities, and any parent organisation, including any organisation that directly or indirectly controls the third person;

   (b) disclosure of any connection, direct or indirect, which the third person has with any disputing party;

   (c) information on any government, person or organisation that has provided any financial or other assistance in preparing the submission or has provided substantial assistance to the third person in either of the two years preceding the application by the third person under this Article (e.g. funding around 20 per cent of its overall operations annually);

(d) description of the nature of the interest that the third person has in the proceedings; and

(e) identification of the specific issues of fact or law in the proceedings that the third person wishes to address in its written submission.

3. In determining whether to allow such a submission, the Tribunal shall take into consideration, among other things:

(a) whether the third person has a significant interest in the proceedings; and

(b) the extent to which the submission would assist the Tribunal in the determination of a factual or legal issue related to the proceedings by bringing a perspective, particular knowledge or insight that is different from that of the disputing parties.

4. The submission filed by the third person shall:

(a) be dated and signed by the person filing the submission on behalf of the third person;

(b) be concise, and in no case longer than as authorised by the Tribunal;

(c) set out a precise statement of the third person's position on issues; and

(d) only address matters within the scope of the dispute.

5. The Tribunal shall ensure that such submissions do not disrupt or unduly burden the proceedings, or unfairly prejudice any disputing party. The Tribunal may adopt any appropriate procedures where necessary to manage multiple submissions.

6. The Tribunal shall ensure that the disputing parties are given a reasonable opportunity to present their observations on any submission by a third person.

ARTICLE 4

1. Confidential or protected information, as defined in paragraph 2 and as identified pursuant to paragraphs 3 to 9, shall not be made available to the public.

2. Confidential or protected information consists of:

   (a) confidential business information;

   (b) information which is protected against being made available to the public under this Agreement;

   (c) information which is protected against being made available to the public, in the case of information of the respondent, under the law of the respondent and in the case of other information, under any law or rules determined to be applicable to the disclosure of such information by the Tribunal.

3. When a document other than an order or decision of the Tribunal is to be made available to the public pursuant to paragraph 1 of Article 1 of this Annex, the disputing party, non-disputing Party or third person who submits the document shall, at the time of submission of the document:

   (a) indicate whether it contends that the document contains information which must be protected from publication;

   (b) clearly designate the information at the time it is submitted to the Tribunal; and

   (c) promptly or within the time set by the Tribunal, submit a redacted version of the document that does not contain the said information.

4. When a document other than an order or decision of the Tribunal is to be made available to the public pursuant to a decision of the Tribunal under paragraph 2 of Article 1 of this Annex, the disputing party, non-disputing Party or third person who has submitted the document shall, within thirty days of the Tribunal's decision that the document is to be made available to the public, indicate whether it contends that the document contains information which must be protected from disclosure and submit a redacted version of the document that does not contain the said information.

5. Where a redaction is proposed under paragraph 4, any disputing party other than the person who submitted the document in question may object to the proposed redaction and/or propose that the document be redacted differently. Any such objection or counter-proposal shall be made within thirty days of receipt of the proposed redacted document.

6. When an order, decision or award of the Tribunal is to be made available to the public pursuant to paragraph 1 of Article 1 of this Annex, the Tribunal shall give all disputing parties an opportunity to make submissions as to the extent to which the document contains information which must be protected from publication and to propose redaction of the document to prevent the publication of the said information.

7. The Tribunal shall rule on all questions relating to the proposed redaction of documents under paragraphs 3 to 6, and shall determine, in the exercise of its discretion, the extent to which any information contained in documents which are to be made available to the public, should be redacted.

8. If the Tribunal determines that information should not be redacted from a document pursuant to paragraphs 3 to 6 or that a document should not be prevented from being made available to the public, any disputing party, non-disputing Party or third person that voluntarily submitted the document into the record may, within thirty days of the Tribunal's determination:

   (a) withdraw all or part of the document containing such information from the record of the proceedings; or

   (b) resubmit the document in a form which complies with the Tribunal's determination.

9. Any disputing party that intends to use information which it contends to be confidential or protected information in a hearing shall so advise the Tribunal. The Tribunal shall, after consultation with the disputing parties, decide whether that information should be protected and shall make arrangements to prevent any protected information from becoming public in accordance with Article 2 of this Annex.

10. Information shall not be made available to the public where the information, if made available to the public, would jeopardise the integrity of the dispute settlement process as determined pursuant to paragraph 11.

11. The Tribunal may, on its own initiative or upon the application of a disputing party, after consultation with the disputing parties where practicable, take appropriate measures to restrain or delay the publication of information where such publication would jeopardise the integrity of the dispute settlement process:

    (a) because it could hamper the collection or production of evidence; or

    (b) because it could lead to the intimidation of witnesses, lawyers acting for disputing parties, or members of the Tribunal; or

    (c) in comparably exceptional circumstances.

ARTICLE 5

The Secretary-General of the United Nations, through the UNCITRAL Secretariat, shall act as repository and shall make available to the public information pursuant to this Annex.

ARTICLE 6

Where this Annex provides for the Tribunal to exercise discretion, the Tribunal shall exercise that discretion, taking into account:

(a) the public interest in transparency in treaty-based investment dispute resolution and of the particular proceedings; and

(b) the disputing parties' interest in a fair and efficient resolution of their dispute.

ANNEX 9

RULES OF PROCEDURE FOR ARBITRATION

General provisions

1. In Section B (Resolution of Disputes between Parties) of Chapter Three (Dispute Settlement) and under this Annex:

"adviser" means a person retained by a Party to advise or assist that Party in connection with the arbitration panel proceeding;

"arbitrator" means a member of an arbitration panel established under Article 3.29 (Establishment of the Arbitration Panel);

"assistant" means a person who, under the terms of appointment of an arbitrator, conducts research or provides assistance to the arbitrator;

"complaining Party" means any Party that requests the establishment of an arbitration panel under Article 3.28 (Initiation of Arbitration Procedure);

"Party complained against" means the Party that is alleged to be in violation of the provisions referred to in Article 3.25 (Scope);

"arbitration panel" means a panel established under Article 3.29 (Establishment of the Arbitration Panel);

"representative of a Party" means an employee or any person appointed by a government department or agency or any other public entity of a Party who represents the Party for the purposes of a dispute under this Agreement

2. This Annex shall apply to dispute settlement proceedings under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties) unless the Parties agree otherwise.

3. The Party complained against shall be in charge of the logistical administration of dispute settlement proceedings, in particular the organisation of hearings, unless otherwise agreed. The Parties shall share equally the expenses derived from organisational matters, including the expenses of the arbitrators.

Notifications

4. The Parties and the arbitration panel shall transmit any request, notice, written submission or other document by e-mail, with a copy submitted on the same day by facsimile transmission, registered post, courier, delivery against receipt or any other means of telecommunication that provides a record of the sending thereof. Unless proven otherwise, an e-mail message shall be deemed to be received on the same date of its sending.

5. A Party shall provide an electronic copy of each of its written submissions and rebuttals to each of the arbitrators and simultaneously to the other Party. A paper copy of the document shall also be provided.

6. All notifications shall be addressed to the Director, North America and Europe Division, Singapore Ministry of Trade and Industry and to the Directorate-General for Trade of the European Commission of the Union, respectively.

7. Minor errors of a clerical nature in any request, notice, written submission or other document related to the arbitration panel proceeding may, unless the other Party objects, be corrected by delivery of a new document clearly indicating the changes.

8. If the last day for delivery of a document falls on an official legal holiday of Singapore or of the Union, the document shall be delivered on the next business day.

Commencing the arbitration

10. (a) If pursuant to Article 3.29 (Establishment of the Arbitration Panel) or to Rules 22, 24 or 51 of this Annex, the arbitrators are selected by lot, representatives of both Parties are entitled to be present when lots are drawn.

(b) Unless the Parties agree otherwise, they shall meet the arbitration panel within seven days of its establishment in order to determine such matters that the Parties or the arbitration panel deems appropriate, including the remuneration and expenses to be paid to the arbitrators. Arbitrators and representatives of the Parties may take part in this meeting *via* telephone or video conference.

11. (a) Unless the Parties agree otherwise within seven days from the date of establishment of the arbitration panel, the terms of reference of the arbitration panel shall be:

"to examine, in the light of the relevant provisions of the Agreement, the matter referred to in the request for establishment of the arbitration panel made pursuant to Article 3.28; to rule on the compatibility of the measure in question with the provisions referred to in Article 3.25 by making findings of law and/or fact, together with the reasons thereof; and to issue a ruling in accordance with Articles 3.31 and 3.32.".

(b) Where the Parties have agreed on the terms of reference of the arbitration panel, they shall notify such agreement to the arbitration panel forthwith.

Initial submissions

12. The complaining Party shall deliver its initial written submission no later than twenty days after the date of establishment of the arbitration panel. The Party complained against shall deliver its written counter-submission no later than twenty days after the date of delivery of the initial written submission.

Working of arbitration panels

13. The chairperson of the arbitration panel shall preside at all its meetings. An arbitration panel may delegate to the chairperson authority to make administrative and procedural decisions.

14. Unless otherwise provided in Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties), the arbitration panel may conduct its activities by any means, including telephone, facsimile transmissions or computer links.

15. Only arbitrators may take part in the deliberations of the arbitration panel, but the arbitration panel may permit its assistants to be present at its deliberations.

16. The drafting of any ruling shall remain the exclusive responsibility of the arbitration panel and shall not be delegated.

17. Where a procedural question arises that is not covered by Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties) and its Annexes, the arbitration panel, after consulting the Parties, may adopt an appropriate procedure that is compatible with those provisions.

18. When the arbitration panel considers that there is a need to modify any time limit applicable in the proceedings or to make any other procedural or administrative adjustment, it shall inform the Parties in writing of the reasons for the change or adjustment and of the period or adjustment needed.

Replacement

19. If an arbitrator is unable to participate in the proceeding, withdraws, or must be replaced, a replacement shall be selected in accordance with Article 3.29 (Establishment of the Arbitration Panel).

20. Where a Party considers that an arbitrator does not comply with the requirements of the Code of Conduct under Annex 11 (hereinafter referred to as "Code of Conduct"), and for this reason should be replaced, this Party should notify the other Party within fifteen days from the time at which it came to know of the circumstances underlying the arbitrator's non-compliance with the Code of Conduct.

21. Where a Party considers that an arbitrator other than the chairperson does not comply with the requirements of the Code of Conduct, the Parties shall consult and, if they so agree, replace the arbitrator and select a replacement following the procedure set out in Article 3.29 (Establishment of the Arbitration Panel).

22. If the Parties fail to agree on the need to replace an arbitrator, any Party may request that such matter be referred to the chairperson of the arbitration panel, whose decision shall be final.

    If, pursuant to such a request, the chairperson finds that an arbitrator did not comply with the requirements of the Code of Conduct, a new arbitrator shall be selected.

    The Party which had selected the arbitrator who needs to be replaced, shall select one arbitrator from among the remaining relevant individuals on the list established under paragraph 2 of Article 3.44 (Lists of Arbitrators). If the Party fails to select an arbitrator within five days of the finding of the chairperson of the arbitration panel, the chair of the Committee or the chair's delegate shall select an arbitrator, by lot from the remaining relevant individuals on the list established under paragraph 2 of Article 3.44 (Lists of Arbitrators), within ten days of the finding of the chairperson of the arbitration panel.

Should the list provided for in paragraph 2 of Article 3.44 (Lists of Arbitrators) not be established at the time required pursuant to paragraph 4 of Article 3.29 (Establishment of the Arbitration Panel), the Party which had selected the arbitrator who needs to be replaced or, if that Party fails, the chair of the Committee or the chair's delegate shall select an arbitrator within five days of the finding of the chairperson of the arbitration panel:

(a) where the Party had failed to propose individuals, from among the remaining individuals proposed by the other Party pursuant to paragraph 2 of Article 3.44 (Lists of Arbitrators);

(b) where the Parties had failed to agree on a list of names pursuant to Article paragraph 2 of Article 3.44 (Lists of Arbitrators), from among the individuals the Party had proposed pursuant to paragraph 2 of Article 3.44 (Lists of Arbitrators).

23. Where a Party considers that the chairperson of the arbitration panel does not comply with the requirements of the Code of Conduct, the Parties shall consult and, if they so agree, replace the chairperson and select a replacement following the procedure set out in Article 3.29 (Establishment of the Arbitration Panel)

24. If the Parties fail to agree on the need to replace the chairperson, any Party may request that such matter be referred to a neutral third party. If the Parties are unable to agree on a neutral third party, such matter shall be referred to one of the remaining members on the list referred to under paragraph 1 of Article 3.44 (Lists of Arbitrators). Her or his name shall be drawn by lot by the chair of the Committee, or the chair's delegate. The decision by this person on the need to replace the chairperson shall be final.

If this person decides that the original chairperson did not comply with the requirements of the Code of Conduct, the Parties shall agree on the replacement. If the Parties fail to agree on a new chairperson, the chair of the Committee, or the chair's delegate, shall select by lot from among the remaining members on the list referred to under paragraph 1 of Article 3.44 (Lists of Arbitrators). The remaining members on the list shall exclude, where relevant, the person who decided that the original chairperson did not comply with the requirements of the Code of Conduct. The selection of the new chairperson shall be done within five days of the finding of the need to replace the chairperson.

25. The arbitration panel proceedings shall be suspended for the period taken to carry out the procedures provided for in Rules 19, 20, 21, 22, 23 and 24 of this Annex.

Hearings

26. The chairperson shall fix the date and time of the hearing in consultation with the Parties and the other arbitrators, and confirm this in writing to the Parties. This information shall also be made publicly available by the Party in charge of the logistical administration of the proceedings unless the hearing is closed to the public. Unless a Party disagrees, the arbitration panel may decide not to convene a hearing.

27. Unless the Parties agree otherwise, the hearing shall be held in Brussels if the complaining Party is Singapore and in Singapore if the complaining Party is the Union.

28. The arbitration panel may convene additional hearings if the Parties so agree.

29. All arbitrators shall be present during the entirety of any hearings.

30. The following persons may attend the hearing, irrespective of whether the proceedings are open to the public or not:

    (a) representatives of the Parties;

    (b) advisers to the Parties;

    (c) administrative staff, interpreters, translators and court reporters; and

    (d) arbitrators' assistants.

    Only the representatives of and advisers to the Parties may address the arbitration panel.

31. No later than five days before the date of a hearing, each Party shall deliver to the arbitration panel, and simultaneously to the other party, a list of the names of persons who will make oral arguments or presentations at the hearing on behalf of that Party and of other representatives or advisers who will be attending the hearing.

32. The hearings of the arbitration panels shall be open to the public, unless the Parties decide that the hearings shall be partially or completely closed to the public. Where the hearings are open to the public, unless the Parties agree otherwise:

(a) public viewing shall take place via simultaneous closed circuit television broadcast to a separate viewing room at the venue of the arbitration;

(b) registration for public viewing of the hearings shall be required;

(c) no audio or video recording or photography shall be permitted in the viewing room;

(d) the panel shall have the right to call for a closed session of any of the hearings in order to address issues related to any confidential information.

The arbitration panel shall meet in closed session when the submission and arguments of a Party contains confidential information. Exceptionally, the panel shall have the right to conduct the hearings in a closed session at any time on its own initiative or at the request of either Party.

33. The arbitration panel shall conduct the hearing in the following manner, ensuring that the complaining Party and the Party complained against are afforded equal time:

Submissions

(a) submission of the complaining Party;

(b) counter-submission of the Party complained against;

Rebuttals

(a) rebuttal of the complaining Party;

(b) counter-rebuttal of the Party complained against.

34. The arbitration panel may direct questions to either Party at any time during the hearing.

35. The arbitration panel shall arrange for a transcript of each hearing to be prepared and delivered as soon as possible to the Parties.

36. Each Party may deliver to the arbitration panel and simultaneously to the other Party a supplementary written submission concerning any matter that arose during the hearing within ten days of the date of the hearing.

Questions in writing

37. The arbitration panel may at any time during the proceedings address questions in writing to one or both Parties. Each of the Parties shall receive a copy of any questions put by the arbitration panel.

38. Each Party shall also provide a copy of its written response to the arbitration panel's questions to the arbitration panel and simultaneously to the other Party. Each Party shall be given the opportunity to provide written comments on the other Party's reply within five days of the date of receipt.

Confidentiality

39. The Parties and their advisers shall maintain the confidentiality of the arbitration panel hearings where the hearings are held in closed session, in accordance with Rule 32 of this Annex, the deliberations and interim panel report, and all written submissions to, and communications with, the panel. Each Party and its advisers shall treat as confidential any information submitted by the other Party to the arbitration panel which that Party has designated as confidential. Where a Party's submission to the arbitration panel contains confidential information, that Party shall also provide, upon request of the other Party, within fifteen days, a non-confidential version of the submission that could be disclosed to the public. Nothing in this Annex shall preclude a Party from disclosing statements of its own positions to the public to the extent that, when making reference to information submitted by the other Party, it does not disclose any information designated by the other Party as confidential.

Ex parte contacts

40. The arbitration panel shall not meet, hear or otherwise contact a Party in the absence of the other Party.

41. No arbitrators may discuss any aspect of the subject matter of the proceedings with a Party or the Parties in the absence of the other arbitrators.

Amicus curiae submissions

42. Unless the Parties agree otherwise within three days of the date of the establishment of the arbitration panel, the arbitration panel may receive unsolicited written submissions from interested natural or legal persons of the Parties, provided that they are made within ten days of the date of the establishment of the arbitration panel, that they are concise and in no case longer than 15 typed pages, including any annexes, and that they are directly relevant to the factual issue under consideration by the arbitration panel.

43. The submission shall contain a description of the person making the submission, whether natural or legal, including its nationality or place of establishment the nature of their activities and the source of its financing, and specify the nature of the interest that the person has in the arbitration proceeding. It shall be drafted in the languages chosen by the Parties in accordance with Rule 46 of this Annex.

44. The arbitration panel shall list in its ruling all the submissions it has received that conform to Rules 42 and 43 of this Annex. The arbitration panel shall not be obliged to address in its ruling the arguments made in such submissions. Any submission obtained by the arbitration panel under this Annex shall be submitted to the Parties for their comments.

Urgent cases

45. In cases of urgency referred to in Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties), the arbitration panel, after consulting the Parties, shall adjust the time limits referred to in this Annex as appropriate and shall notify the Parties of such adjustments.

Translation and interpretation

46. During the consultations referred to in Article 3.26 (Consultations), and no later than the meeting referred to in Rule 10(b) of this Annex, the Parties shall endeavour to agree on a common working language for the proceedings before the arbitration panel.

47. Any Party may provide comments on any translated version of a document drawn up in accordance with this Annex.

48. In the event of any divergence over the interpretation of this Agreement, the arbitration panel shall take account of the fact that this Agreement was negotiated in English.

Calculation of time-limits

49. Where, by reason of the application of Rule 8 of this Annex, a Party receives a document on a date other than the date on which this document is received by the other Party, any period of time that is calculated on the basis of the date of receipt of that document shall be calculated from the last date of receipt of that document.

Other procedures

50. This Annex is also applicable to procedures established under paragraph 2 of Article 3.34 (Reasonable Period of Time for Compliance), paragraph 2 of Article 3.35 (Review of Any Measure Taken to Comply with the Arbitration Panel Ruling), paragraph 3 of Article 3.36 (Temporary Remedies in Case of Non-compliance), paragraph 2 of Article 3.37 (Review of Any Measure Taken to Comply After the Adoption of Temporary Remedies for Non-Compliance). The time-limits laid down in this Annex shall be adjusted in line with the special time-limits provided for the adoption of a ruling by the arbitration panel in those other procedures.

51. In the event of the original panel, or some of its members, being unable to reconvene for the procedures established under paragraph 2 of Article 3.34 (Reasonable Period of Time for Compliance), paragraph 2 of Article 3.35 (Review of Any Measure Taken to Comply with the Arbitration Panel Ruling), paragraph 3 of Article 3.36 (Temporary Remedies in Case of Non-compliance), paragraph 2 of Article 3.37 (Review of Any Measure Taken to Comply After the Adoption of Temporary Remedies for Non-Compliance), the procedures set out in Article 3.29 (Establishment of the Arbitration Panel) shall apply. The time limit for the notification of the ruling shall be extended by fifteen days.

ANNEX 10

MEDIATION PROCEDURE FOR DISPUTES BETWEEN PARTIES

ARTICLE 1

Objective and Scope

1. The objective of this Annex is to facilitate the finding of a mutually agreed solution through a comprehensive and expeditious procedure with the assistance of a mediator.

2. This Annex shall apply to any measure under the scope of this Agreement adversely affecting trade or investment between the Parties, except as otherwise provided.

ARTICLE 2

Request for Information

1. Before the initiation of the mediation procedure, a Party may request at any time in writing information regarding a measure adversely affecting trade or investment between the Parties. The Party to which such request is made shall provide, within twenty days, a written response.

2. Where the responding Party considers that a response within twenty days is not practicable, it shall inform the requesting Party of the reasons for the delay, together with an estimate of the shortest period within which it will be able to provide its response.

ARTICLE 3

Initiation of the Procedure

1. A Party may request, at any time, that the Parties enter into a mediation procedure. Such request shall be addressed to the other Party in writing. The request shall be sufficiently detailed to present clearly the concerns of the requesting Party and shall:

   (a) identify the specific measure at issue;

   (b) provide a statement of the alleged adverse effects that the requesting Party believes the measure has, or will have, on trade or investment between the Parties; and

   (c) explain how the requesting Party considers that those effects are linked to the measure.

2. The Party to which such request is addressed shall give sympathetic consideration to the request and reply by accepting or rejecting it in writing within ten days of its receipt.

ARTICLE 4

Selection of the Mediator

1. The Parties shall endeavour to agree on a mediator no later than fifteen days after the receipt of the reply to the request referred to in paragraph 2 of Article 3 (Initiation of the Procedure) of this Annex.

2. If the Parties cannot agree on the mediator within the established time frame, either Party may request the chair of the Committee, or the chair's delegate, to draw the mediator by lot from the list established under paragraph 2 of Article 3.44 (Lists of Arbitrators). Representatives of both Parties are entitled to be present when the lots are drawn.

3. The chair of the Committee, or the chair's delegate, shall select the mediator within five working days of the request referred to in paragraph 2.

4. A mediator shall not be a national of either Party, unless the Parties agree otherwise.

5. The mediator shall assist, in an impartial and transparent manner, the Parties in bringing clarity to the measure and its possible adverse effects on trade and investment, and in reaching a mutually agreed solution. Annex 11 shall apply to mediators, *mutatis mutandis*. Rules 4 to 9 and Rules 46 to 49 of Annex 9 shall also apply, *mutatis mutandis*.

ARTICLE 5

Rules of the Mediation Procedure

1. Within ten days after the appointment of the mediator, the Party having invoked the mediation procedure shall present, in writing, a detailed description of the problem to the mediator and to the other Party, in particular of the operation of the measure at issue and its adverse effects on investment. Within twenty days after the date of delivery of this submission, the other Party may provide, in writing, its comments to the description of the problem. Either Party may include in its description or comments any information that it deems relevant.

2. The mediator may decide on the most appropriate way of bringing clarity to the measure concerned and its possible adverse effects on investment. In particular, the mediator may organise meetings between the Parties, consult the Parties jointly or individually, seek the assistance of or consult with relevant experts and stakeholders and provide any additional support requested by the Parties. However, before seeking the assistance of or consulting with relevant experts and stakeholders, the mediator shall consult with the Parties.

3. The mediator may offer advice and propose a solution for consideration of the Parties who may accept or reject the proposed solution or may agree on a different solution. However, the mediator shall not advise or give comments on the consistency of the measure at issue with this Agreement.

4. The procedure shall take place in the territory of the Party to which the request was addressed or, by mutual agreement, in any other location or by any other means.

5. The Parties shall endeavour to reach a mutually agreed solution within sixty days from the appointment of the mediator. Pending a final agreement, the Parties may consider possible interim solutions.

6. The solution may be adopted by means of a decision of the Committee. Either Party may make such solution subject to the completion of any necessary internal procedures. Mutually agreed solutions shall be made publicly available. However, the version disclosed to the public may not contain any information that a Party has designated as confidential.

7. The procedure shall be terminated:

   (a) by the adoption of a mutually agreed solution by the Parties, on the date of adoption;

   (b) by a mutual agreement of the Parties at any stage of the procedure, on the date of that agreement;

   (c) by a written declaration of the mediator, after consultation with the Parties, that further efforts at mediation would be to no avail, on the date of that declaration; or

   (d) by a written declaration of a Party after exploring mutually agreed solutions under the mediation procedure and after having considered any advice and proposed solutions by the mediator, on the date of that declaration.

ARTICLE 6

Implementation of a Mutually Agreed Solution

1. Where the Parties have agreed to a solution, each Party shall take the measures necessary to implement the mutually agreed solution within the agreed timeframe.

2. The implementing Party shall inform the other Party in writing of any steps or measures taken to implement the mutually agreed solution.

3. On request of the Parties, the mediator shall issue to the Parties, in writing, a draft factual report, providing a brief summary of (i) the measure at issue in these procedures; (ii) the procedures followed; and (iii) any mutually agreed solution reached as the final outcome of these procedures, including possible interim solutions. The mediator shall provide the Parties fifteen days to comment on the draft report. After considering the comments of the Parties submitted within the period, the mediator shall submit, in writing, a final factual report to the Parties within fifteen days. The factual report shall not include any interpretation of this Agreement.

ARTICLE 7

Relationship to Dispute Settlement

1. The mediation procedure is without prejudice to the Parties' rights and obligations under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties).

2. The mediation procedure is not intended to serve as a basis for dispute settlement procedures under this Agreement or any other agreement. A Party shall not rely on or introduce as evidence in such dispute settlement procedures, nor shall a panel take into consideration:

   (a) positions taken by the other Party in the course of the mediation procedure;

   (b) the fact that the other Party has indicated its willingness to accept a solution to the measure subject to mediation; or

   (c) advice given or proposals made by the mediator.

3. Without prejudice to paragraph 6 of Article 5 (Rules of the Mediation Procedure) of this Annex and unless the Parties agree otherwise, all steps of the procedure, including any advice or proposed solution, are confidential. However, either Party may disclose to the public that mediation is taking place.

ARTICLE 8

Time Limits

Any time limit referred to in this Annex may be modified by mutual agreement between the Parties.

ARTICLE 9

Costs

1. Each Party shall bear its own expenses derived from the participation in the mediation procedure.

2. The Parties shall share equally the expenses derived from organisational matters, including the remuneration and expenses of the mediator. Remuneration of the mediator shall be in accordance with that foreseen in Rule 10(b) of Annex 9.

ARTICLE 10

Review

Five years after the date of entry into force of this Agreement, the Parties shall consult each other on the need to modify the mediation procedure in light of the experience gained and the development of a corresponding mechanism in the WTO.

ANNEX 11

CODE OF CONDUCT FOR ARBITRATORS AND MEDIATORS

Definitions

1. In this Code of Conduct:

"arbitrator" means a member of an arbitration panel established under Article 3.29 (Establishment of the Arbitration Panel);

"candidate" means an individual whose name is on the list of arbitrators referred to in Article 3.44 (Lists of Arbitrators) and who is under consideration for selection as an arbitrator under Article 3.29 (Establishment of the Arbitration Panel);

"assistant" means a person who, under the terms of appointment of an arbitrator, conducts research or provides assistance to the arbitrator;

"proceeding", unless otherwise specified, means an arbitration panel proceeding under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties;

"staff", in respect of an arbitrator, means persons under the direction and control of the arbitrator, other than assistants.

Responsibilities to the process

2. Throughout the proceedings, every candidate and arbitrator shall avoid impropriety and the appearance of impropriety, shall be independent and impartial, shall avoid direct and indirect conflicts of interests and shall observe high standards of conduct so that the integrity and impartiality of the dispute settlement mechanism is preserved. Arbitrators shall not take instructions from any organisation or government with regard to matters before a Panel. Former arbitrators must comply with the obligations established in paragraphs 15, 16, 17 and 18 of this Code of Conduct.

Disclosure obligations

3. Prior to confirmation of his or her selection as an arbitrator under Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties), a candidate shall disclose any interest, relationship or matter that is likely to affect his or her independence or impartiality or that might reasonably create an appearance of impropriety or bias in the proceeding. To this end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships and matters.

4. A candidate or arbitrator shall only communicate matters concerning actual or potential violations of this Code of Conduct to the Committee for consideration by the Parties.

5. Once selected, an arbitrator shall continue to make all reasonable efforts to become aware of any interests, relationships or matters referred to in paragraph 3 of this Code of Conduct and shall disclose them. The disclosure obligation is a continuing duty which requires an arbitrator to disclose any such interests, relationships or matters that may arise during any stage of the proceeding at the earliest time the arbitrator becomes aware of it. The arbitrator shall disclose such interests, relationships or matters by informing the Committee, in writing, for consideration by the Parties.

Duties of arbitrators

6. Upon selection, an arbitrator shall perform his or her duties thoroughly and expeditiously throughout the course of the proceeding, and with fairness and diligence.

7. An arbitrator shall consider only those issues raised in the proceeding and necessary for a ruling and shall not delegate this duty to any other person.

8. An arbitrator shall take all appropriate steps to ensure that his or her assistants and staff are aware of, and comply with, paragraphs 2, 3, 4, 5, 16, 17 and 18 of this Code of Conduct.

9. An arbitrator shall not engage in *ex parte* contacts concerning the proceeding.

Independence and impartiality of arbitrators

10. An arbitrator must be independent and impartial and avoid creating an appearance of impropriety or bias and shall not be influenced by self-interest, outside pressure, political considerations, public clamour, and loyalty to a Party or fear of criticism.

11. An arbitrator shall not, directly or indirectly, incur any obligation or accept any benefit that would in any way interfere, or appear to interfere, with the proper performance of her or his duties.

12. An arbitrator may not use her or his position on the arbitration panel to advance any personal or private interests and shall avoid actions that may create the impression that others are in a special position to influence her or him.

13. An arbitrator may not allow financial, business, professional, family or social relationships or responsibilities to influence her or his conduct or judgement.

14. An arbitrator shall avoid entering into any relationship or acquiring any financial interest that is likely to affect her or his impartiality or that might reasonably create an appearance of impropriety or bias.

Obligations of former arbitrators

15. All former arbitrators must avoid actions that may create the appearance that they were biased in carrying out their duties or derived any advantage from the decision or ruling of the arbitration panel.

Confidentiality

16. No arbitrator or former arbitrator shall at any time disclose or use any non-public information concerning a proceeding or acquired during a proceeding except for the purposes of that proceeding and shall not, in particular, disclose or use any such information to gain a personal advantage or an advantage for others or to affect the interest of others.

17. An arbitrator shall not disclose an arbitration panel ruling or parts thereof prior to its publication in accordance with Chapter Three (Dispute Settlement) Section B (Resolution of Disputes between Parties).

18. An arbitrator or former arbitrator shall not at any time disclose the deliberations of an arbitration panel, or any arbitrator's view regarding the deliberations.

Expenses

19. Each arbitrator shall keep a record and render a final account of the time devoted to the procedure and of his or her expenses, as well as the time and expenses of his or her assistants.

Mediators

20. The disciplines described in this Code of Conduct applying to arbitrators or former arbitrators shall apply, *mutatis mutandis*, to mediators.

UNDERSTANDING 1

IN RELATION TO SINGAPORE'S SPECIFIC CONSTRAINTS
OF SPACE OR ACCESS TO NATURAL RESOURCES

1. Article 2.3 (National Treatment) shall not apply to any measure relating to:

   (a) the supply of potable water in Singapore;

   (b) the ownership, purchase, development, management, maintenance, use, enjoyment, sale or other disposal of residential property[1] or to any public housing scheme in Singapore.

2. Three years after the entry into force of this agreement and every two years thereafter, should the Additional Buyer's Stamp Duty (ABSD) still be in force, the Committee will review to see if the maintenance of the ABSD is necessary for addressing the stability of the residential property market. In these consultations, Singapore will provide statistics and information relevant to the state of the residential property market.

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[1] The term "residential property" shall refer to real property defined as such in the Residential Property Act Chapter 274 as of the date of the entry into force of this Agreement.

UNDERSTANDING 2

IN RELATION TO THE REMUNERATION OF ARBITRATORS

With respect to Rule 10 of Annex 9 both Parties confirm their following understanding:

1. The remuneration and expenses to be paid to the arbitrators shall be based on standards of comparable international dispute resolution mechanisms in bilateral or multilateral agreements.

2. The exact amount of the remuneration and expenses shall be agreed by the Parties in advance of the meeting of the Parties with the arbitration panel under Rule 10 of Annex 9.

3. Both Parties shall apply this understanding in good faith with a view to facilitating the operation of the arbitration panel.

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Information Note

1. Proposal
Proposal for a COUNCIL DECISION on the signing on behalf of the European Union, of 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

2. Date of Commission document
18/04/2018

3. Number of Commission document
COM (2018) 195

4. Number of Council document:
2018/0096

5. Dealt with in Brussels by
Trade Policy Committee

6. Department with primary responsibility
Department of Business, Enterprise and Innovation

7. Other Departments involved
Department of Foreign Affairs and Trade

8. Background to, short summary and aim of the proposal

On 23 April 2007, the Council authorised the Commission to enter into negotiations for a region-to-region Free Trade Agreement (FTA) with Member States of ASEAN. Due to difficulties encountered both sides agreed to pause these region-to-region negotiations.

On 22 December 2009, the Council agreed on the principle of launching bilateral negotiations with individual ASEAN Member States, based on the authorisation and negotiating directives of 2007, whilst preserving the strategic objective of a region-to-region agreement.

The Council also authorised the Commission to start bilateral negotiations on a free trade agreement with Singapore, which would serve as a first step towards the objective of the timely launch of such negotiations with other relevant ASEAN Member States. Bilateral negotiations with Singapore commenced in March 2010.

On 12 September 2011, the Council authorised the Commission to extend the on-going negotiations with Singapore to also cover investment protection, based on a new EU competence under the Lisbon Treaty.

On the basis of the negotiating directives adopted by the Council in 2007, and supplemented in 2011 to include investment protection, the Commission has

negotiated with the Republic of Singapore an Investment Protection Agreement (IPA) as well as an ambitious and comprehensive FTA, with a view to creating new opportunities and legal certainty for trade and investment between both partners to develop. The Investment Protection Agreement (IPA) includes the Investment Court System (ICS) as a mechanism for resolving disputes.

The texts of the agreements have been made public and can be found on the following link:
http://ec.europa.eu/trade/policy/countries-and-regions/countries/singapore/

The proposal for a Council Decision constitutes the legal instrument authorising the signing, on behalf of the EU, of the IPA between the European Union and its Member States, of the one part, and the Republic of Singapore of the other part.

9. Legal basis of the proposal

The legal basis for this Council decision is the Treaty on the Functioning of the European Union, in particular Articles 91, 100(2) and 207(4)(1), Article 218(5), and 218(6).

In its Opinion 2/15 of 16 May 2017, the Court of Justice of the EU confirmed the EU's exclusive competence with regard to all matters covered by the agreement that had been negotiated with Singapore, except for non-direct investment and investor-to-state dispute settlement where the Member States are defendants.

In view of the Court Opinion, the initially negotiated text has been adjusted to create two self-standing agreements: a Free Trade Agreement and a separate Investment Protection Agreement (IPA). The IPA requires ratification by Member States.

The EU-Singapore IPA is to be signed by the Union pursuant to a decision of the Council based on Article 218(5) TFEU and concluded by the Union pursuant to a decision of the Council based on Article 218(6) TFEU, following the European Parliament's consent and ratification by the Member States in accordance with their respective internal procedures.

10. Voting Method

Unanimity

11. Role of the European Parliament

Consent

12. Category of proposal

Some significance

13. Implications for Ireland & Ireland's Initial View'

A study of the economic benefits to be expected from the FTA and IPA agreements predicts that EU exports to Singapore could rise by some € 1.4 billion over a 10-year period. Singapore's exports to the EU could grow by € 3.5 billion – this figure includes shipments from EU subsidiaries in Singapore back to the EU. The analysis predicts that EU real GDP could grow by around €550 million over a 10-year period.

These estimates are deemed conservative due to the difficulty to precisely quantify the effects of the removal of non-tariff barriers, which is a key component of the agreement. It is likely that the gains from the agreements would grow further if and when the EU concludes agreements with other ASEAN Member States.

A Trade Sustainability Impact Assessment, carried out prior to the splitting of the Agreement into a separate FTA and IPA, concluded that an ambitious EU-ASEAN agreement would deliver important positive impacts (in terms of GDP, income, trade and employment) for both the EU and Singapore.

National income increases on the EU side were estimated at €13 billion and for Singapore at €7.5 billion.

14. Are there any subsidiarity issues for Ireland?

With regard to the IPA, the Court of Justice of the EU confirmed that, pursuant to Article 207 TFEU, the EU has exclusive competence with regard to all substantive provisions on investment protection, to the extent that these apply to foreign direct investment. The Court further confirmed the EUs exclusive competence with regard to the state-to-state dispute settlement mechanism in relation to investment protection. Finally, the Court stated that the EU has shared competence with regard to non-direct investment and investor-to-state dispute settlement (replaced later on by the Investment Court System in the IPA), where the Member States act as defendants.

As a result the IPA requires ratification by the Oireachtas in addition to the European Parliament and the Council.

15. Anticipated negotiating period

The negotiations have concluded

16. Proposed implementation date

It is intended for the IPA to be signed at the 12th Asia-Europe Meeting (ASEM) summit on 18-19 October 2018. The Agreement covers areas of shared competence between the EU and Member States and requires ratification by the parliaments of Member States in accordance with their own national procedures prior to its implementation. As such, there is no specific date proposed for implementation of the agreement.

17. Consequences for national legislation
N/A

18. Method of Transposition into Irish law

N/A

19. Anticipated Transposition date
N/A

20. Consequences for the EU budget in Euros annually

An amount of € 200,000 of additional yearly expenditure is foreseen from 2018 onwards to finance the permanent structure comprising a First Instance and an Appeal Tribunal.

At the same time, the agreement entails the use of administrative resources under budget line XX 01 01 01 (Expenditure related to officials and temporary staff working with the Institution), considering that it is estimated that one Administrator will be dedicated as full-time equivalent to the tasks inherent to this agreement.

Contact name, telephone number and e-mail address of official in Department with primary responsibility

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