



MEDIA STATEMENT For Immediate Release

Singapore Business Federation Urges U.S. Trade Representative to Recognise Singapore's Market Oriented Economy and Robust Labour Enforcement in Section 301 Investigations

The Singapore Business Federation (SBF), the apex business chamber representing more than 34,000 companies, has submitted formal comments to the United States Trade Representative (USTR) on the Section 301 investigations into structural excess capacity (Docket No USTR-2026-0067) and forced labour import enforcement (Docket No USTR-2026-0133).

Prepared in consultation with 10 Singapore-based Trade Associations and Chambers (TACs)¹, the submissions underscore that Singapore's acts, policies, and practices are neither "unreasonable" nor "discriminatory" under Section 301, and do not "burden or restrict" US commerce.

SBF emphasised the depth of the US-Singapore economic partnership underpinned by more than two decades of the US-Singapore Free Trade Agreement (USSFTA). The United States runs a substantial and growing overall trade surplus with Singapore—approximately US\$27 billion in 2024, widening to about US\$33.3 billion in 2025— not supporting the claim that Singapore's practices disadvantage U.S. commerce. Singapore is also a significant partner for U.S. firms operating across integrated supply chains, with around 6,600 U.S. companies in Singapore and extensive two-way investment ties.

Key Positions on Structural Excess Capacity (Docket No. USTR-2026-0067):

- **Singapore's manufacturing is demand-led and commercially driven:** High operating costs and market discipline inherently discourage the below-cost pricing and state-directed overproduction typically associated with structural excess capacity.
- **Singapore's trade profile reflects its role as a global hub, not domestic overproduction:** A significant portion of goods flows relate to Singapore's entrepôt and re-export functions, which should be distinguished from domestic capacity expansion.
- **Unilateral tariffs would harm U.S. commercial interests:** Import restrictions on Singapore would raise costs and disrupt supply chains for U.S. companies that use Singapore as a regional base and logistics node—damaging the very interests Section 301 is intended to protect.

¹ Association of Electronic Industries in Singapore, Japanese Chamber of Commerce and Industry Singapore, SAAA@Singapore, Singapore Chinese Chamber of Commerce and Industry, Singaporean-German Chamber of Industry and Commerce, Singapore Indian Chamber of Commerce and Industry, Singapore International Chamber of Commerce, Singapore Malay Chamber of Commerce and Industry, Singapore Manufacturing Federation and Singapore Precision Engineering and Technology Association

Key Positions on Forced Labour (Docket No. USTR-2026-0133):

- **Singapore has a strong and actively enforced anti-forced-labour framework:** Forced labour is prohibited constitutionally and under criminal law, complemented by robust enforcement tools and penalties (including under anti-trafficking legislation).
- **U.S. Government reporting recognises Singapore's enforcement outcomes:** The U.S. Department of State's 2025 Trafficking in Persons Report ranks Singapore as Tier 1, reflecting that Singapore meets the highest standards for combating trafficking and forced labour.
- **Singapore businesses adhere to robust corporate governance standards:** Singapore-based exporters already comply with U.S. import requirements (including under Section 307 of the U.S. Tariff Act), and there is no cited Singapore-specific evidence that goods entering the U.S. from Singapore were produced with forced labour.
- **Practical enforcement challenges require cooperation, not unilateral measures:** Without clear, harmonised international verification standards, a forced labour import ban is difficult to operationalise and risks trade diversion without resolving root causes.

In both submissions, SBF urged that any concerns related to excess capacity or labour be handled through established cooperative mechanisms, including the USSFTA Joint Committee and rules-based multilateral frameworks.

Mr. Kok Ping Soon, Chief Executive Officer of SBF, said *"Singapore and the United States share a long-standing economic partnership underpinned by more than two decades of the USSFTA. US enjoys a trade surplus with Singapore and our investments support over 250,000 American jobs. We urge the U.S. Administration to recognise our shared commitment to fair, market-oriented trade and to avoid measures that would disrupt the deeply intertwined supply chains that benefit both our nations."*