

The E-Book on East Asia Investment Practice

-Singapore

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Preface

Singapore is a “Garden Country” that teems with opportunities and challenges and boasts advantaged geographical location. It is one of most dynamic and promising economies in the world. With favorable business environment, Singapore is one of the countries with the world minimum crime rate. And it enjoys advantages such as no foreign exchange control, free outflow of funds, low taxes, and full-fledged investor protection policies, etc.

In this E-book, Chapter I briefs on Singapore’s national features including geography, politics, society features and cultural environment, etc.; Chapter II introduces Singapore’s overall business environment; Chapter III gives an introduction about Singapore’s economy and trade policies; Chapter IV outlines Singapore’s industry development and foreign investment conditions; Chapter V gives an account of startup procedures and provisions in Singapore; Chapter VI introduces relevant laws and regulations for business operation in Singapore; Chapter VII introduces the ways and approaches for settlement of economic and trade disputes; Chapter VIII demonstrates multi-lateral and bilateral free trade agreements such as the Regional Comprehensive Economic Partnership; Chapter IX introduces Singapore’s economic security and support policies amid the COVID-19 pandemic; Chapter X includes enterprise-related government departments, chambers of commerce & associations, intermediary organs, and relevant contact info.

We hope that the basic information of Singapore’s economy and trade displayed in this E-book can provide valuable guidance for enterprises and investors, contributing to the investment facilitation and healthy development of economic globalization.

Time constrains and competence deficiency might lead to inaccuracies in this E-book. We sincerely look forward to your valuable comments and suggestions for future improvement.



General Information

1.1 Geograpy

Geographical Location

The Republic of Singapore (hereinafter referred to as Singapore), located on the southern tip of the Malay Peninsula and at the entrance of the Malacca Strait, is north across the Johore Strait and adjacent to Malaysia, and south across the Singapore Strait and opposite to Indonesia. With a total area of 724.4km², Singapore consists of main island of Singapore and 63 offshore islands, of which, the main island of Singapore with the maximum area is 50km long from the east to the west, and 26km wide from the south to the north. Singapore has low-lying and flat landform, and its coastline is more than 200km long.

Natural Resources

Lack of natural resources, most of Singapore's industrial raw materials and life necessities depend on import. Some native floras, and forests or natural reserves are conserved in Singapore, accounting for 23% of the country's total area.

Climate

Singapore is located in tropics and has an equatorial rainy climate. The average annual

temperature is between 23-35°C and the average annual precipitation is around 2,400mm.

Administrative Division

As a city state, Singapore has no provinces or cities, and it is divided into five communities (administrative areas), namely, Northeast Community, Southeast Community, Northwest Community, Southwest Community, and Central Community, which are under the management of Community Development Council (CDC for short). The aforesaid five communities further fall into 27 electoral boundaries, including 12 single-member constituencies and 15 group representation constituencies.

1.2 Politics

Constitution

In September 1963, Singapore promulgated the State Constitution after it merged with the Federation of Malaya. In December 1965, the State Constitution was modified to the Constitution of the Republic of Singapore, in which some clauses of the Malaysia Constitution are applicable to Singapore. Pursuant to provisions of the Constitution, Singapore adopts the parliamentary republic system.

Parliament

Singapore Parliament adopts unicameral system in which the tenure of office lasts for five years. Parliament may be dissolved ahead of schedule, and the General Election shall take place within three months after dissolution of the Parliament. Parliament members are divided into Elected Member of Parliament (tenure: 5 years), Non-Constituency Member of Parliament (tenure: 5 years) and Nominated Member of Parliament (tenure: two and a half years). The Elected Member of Parliament is elected by citizens from electoral boundaries of Singapore; the

Non-Constituency Member of Parliament (NCMP) is appointed from unelected candidates of the opposition party with the highest number of votes, and the number of NCMPs is up to 6; Nominated Member of Parliament is appointed by the President according to referrals by the Special Select Committee of Parliament. Current Parliament came into being from election in July 2020, and there are 95 members in the Parliament all told. Current speaker is Tan Chuan-Jin.

Chief of State

President of Singapore is the chief of state and exercises the legislative power together with the Parliament. Chief of state is elected directly by all citizens for a six-year term. Current president of Singapore is Halimah Yacob, who took office in September 2017 and is the first female president of Singapore. The President has the right to veto the government's fiscal budget and the nomination for posts of public departments, has the right to audit the government's implementation of internal security laws/decrees and religious harmony decrees, and has the right to investigate corruption cases. The President must solicit opinions from the Presidential Advisory Council before exercising rights like appointment of main civil servants.

Government

President of Singapore appoints the leader of the majority party of the Parliament as the prime minister, as well as nominates ministers according to referrals by the Prime Minister, which accordingly form the Cabinet of Singapore. The Cabinet is responsible for the Parliament, with members including prime minister, deputy prime minister and all ministers. Current Cabinet was formed in July 2020, and Lee Hsien Loong serves as current prime minister of Singapore. The Government of Singapore consists of 16 ministries. Pursuant to decrees of the Parliament, The

Government sets up 64 statutory authorities with special functions through legal proceedings, which are managed by functional departments of the Government (except the Ministry of National Defense and the Ministry of Foreign Affairs).

Political Parties^①

In Singapore there are more than 30 registered parties, of which, the People's Action Party is the ruling party, with party members touching the number of about 15,000. Gan Kim Yong is current chairman of the People's Action Party. Other political parties of Singapore include the Worker's Party, United People's Party, National Solidarity Party, People's Power Party, Democratic Progressive Party, Singapore Democratic Alliance, etc.

1.3 Economy

Macro Economy

Singapore is a globally important commercial city, an entrepot trade center, and an important international finance and shipping center. From the end of 1960s to 1990s, Singapore saw rapid economic development, thus it was ranked among the "Four Asian Tigers", together with South Korea, Hong Kong, China and Taiwan, China. Affected by the COVID-19 pandemic, Singapore's GDP in 2020 was 469.1 billion SG dollars (US\$ 340.1 billion), representing a year-on-year decline of 8.2%; per capita GDP was 82,500 SG dollars (US\$ 59,800), a decline of 7.9% from the same period last year. In terms of segmented industries, different industries vary in growth, of which, the manufacturing industry rose 7.3% on a yearly basis, the construction industry fell 35.9%, and the service industry fell 6.9%, but the finance & insurance industry and the information communication industry rose 5% and 2.1% respectively. ^②

In February 2021, the Ministry of Trade and Industry of Singapore issued a notice, saying

① CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).

② Singapore Department of Statistics: <https://www.singstat.gov.sg>

that Singapore's economy will recover little by little, and it is predicted that the growth rate will hit 4%-6%, but the development pace varies in different industries. Herein, the trade-related service industries (e.g., wholesale and shipping), the manufacturing industry, the information communication industry, and the finance & insurance industry are predicted to continue maintaining steady growth.

Table 1-1 Macro economy data of Singapore, 2016–2020

Macro economy data					
Index	2016	2017	2018	2019	2020
Nominal GDP (US\$ billion)	296.9	324.0	499.17	372.063	340.1
Per capita GDP (US\$)	52,962	57,722	64,000	65,000	59,800
Real GDP growth rate (%)	2.0	3.6	4.9	0.7	-5.4

Trade Scale

Commodity trade. During 2016–2020, Singapore's commodity trade value showed a trend of decline after rise. Affected by the COVID-19 pandemic, Singapore's commodity trade value in 2020 was 969.112 billion SG dollars, representing a year-on-year decline of 5.2%, of which, the merchandise export value was 515.645 billion SG dollars, representing a year-on-year decline of 3.2%; the merchandise import value was 453.467 billion SG dollars, representing a year-on-year decline of 7.4%, and implying a trade surplus of 62.178 billion SG dollars.

Main commodities exported include refined oil, electronic components, chemical products, and pharmaceutical products, etc.; main commodities imported include motor equipment, processed oil products, office and data processor parts, and professional scientific control meters & instruments, etc.

Main export destinations include China, Hong Kong, China, Malaysia, Indonesia, Japan, Taiwan, China, ROK, and Europe, etc.; main import sources include China, Malaysia, the USA, Taiwan, China, Japan, South Korea, Indonesia and Europe, etc.

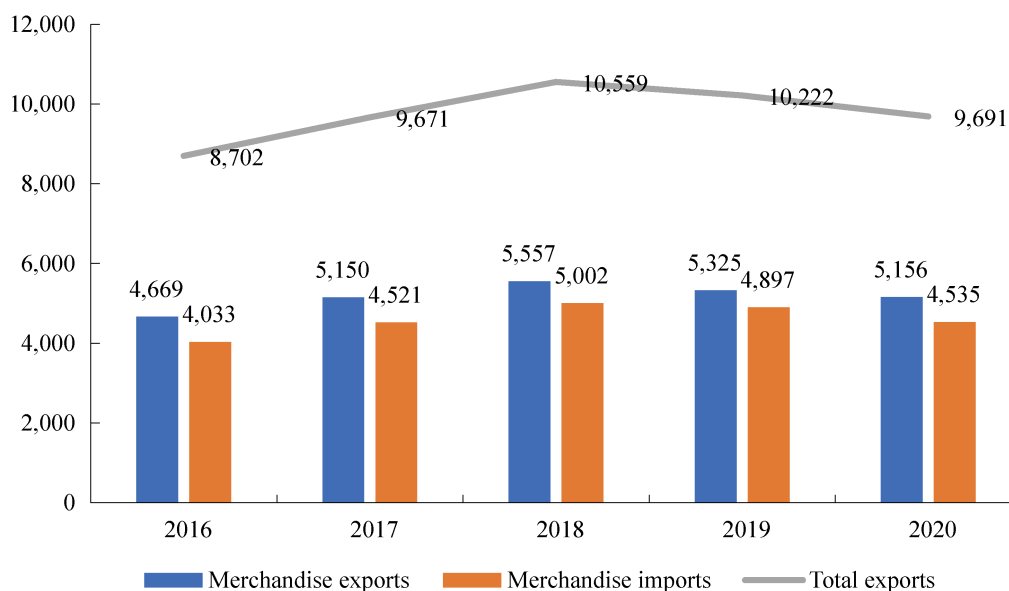


Fig. 1-1 Singapore's trade volume of commodity (Unit: billion SG dollars)^①

Service Trade. During 2016–2020, Singapore's commodity trade value showed an ascending trend. Affected by the pandemic, Singapore's service trade value in 2020 totaled 497.1 billion SG dollars, representing a year-on-year decline of 14.3%, of which, the services export value was 258.8 billion SG dollars, representing a year-on-year decline of 12.7%; the services import value was 238.3 billion SG dollars, representing a year-on-year decline of 16.1% and implying a trade surplus of 20.5 billion SG dollars.

Main services exported include transport (particularly freight transport), finance, tourism, telecommunication information service and other commercial services (particularly advertisement and market survey); main services imported include transport (particularly freight transport), intellectual property, finance, and commercial services (particularly commercial management and R & D service).

The top five export destinations include EU, ASEAN, the USA, Japan, Australia; the top five import sources are successively EU, the USA, Netherlands, China, and Japan.

^① Singapore Department of Statistics: <https://www.singstat.gov.sg>

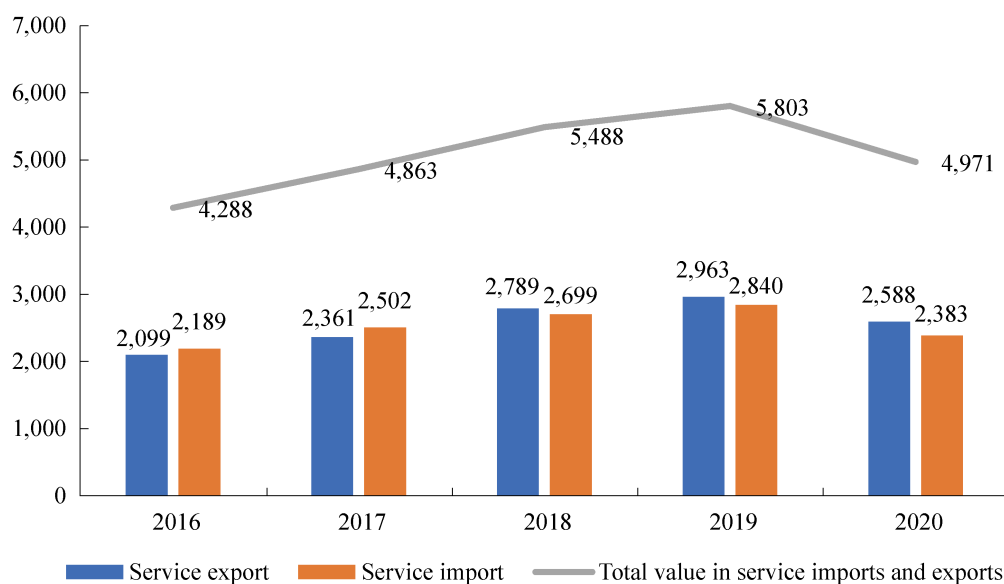


Fig. 1-2 Singapore's trade volume of service (Unit: billion SG dollars)^①

Local Market

Total sales value. In 2019, Singapore's wholesale & retail revenue totaled 2,724.5 billion SG dollars, representing a year-on-year increase of 1.9%.

Consumption expenditure. In 2019, Singapore's private consumption expenditure totaled 182.706 billion SG dollars (about US\$ 133.929 billion), representing a year-on-year increase of 4.4%. Of which, ratios of specific consumption expenditures are as follows: housing (15.27%), transport (12.39%), cultural entertainment (9.85%), medical treatment (7.28%), catering service (7.40%), food & drinks (6.35%), education (4.09%), furniture, equipment, and housing repair (4.09%), communication (3.80%), clothing (3.03%), accommodation (2.70%), tobacco and alcohol (1.65%).

Price level. In 2020, Singapore's domestic consumer price index (CPI) presented a year-on-year decline of 0.2%.

^① Singapore Department of Statistics: <https://www.singstat.gov.sg>

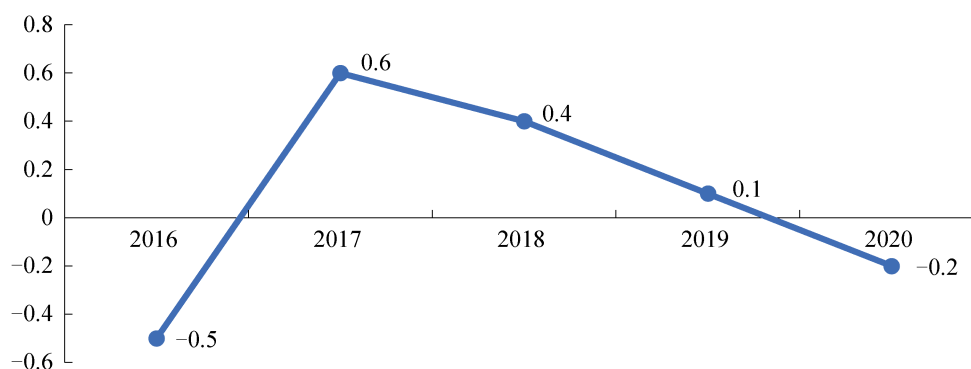


Fig. 1-3 Singapore's CPI, 2016–2020 (Unit: %)

1.4 Society and Culture

Population

As of June 2020, Singapore's population totaled about 5.69 million, of which, ^①the Chinese accounted for 74% of the total population, and the rest are made up of the Malay, the Indian, and other groups.

Language

Singapore has four official languages, including Malay, Chinese, Tamil and English. Of which, Malay is the national language, while English, Chinese, Malay and Tamil are official languages, and English is the language of administration.

Religion

Singapore advocates freedom of religion. Main religions in Singapore include Buddhism, Taoism, Islam, Hinduism, and Christianity, etc. Of which, Buddhism is the predominant religion, with Buddhists making up 33.19% of total population of Singapore (according to data of 2015).

Festivals and Holidays

Singapore implements a five-day workweek, with Saturday and Sunday as weekend.

^① Singapore Department of Statistics: <https://www.singstat.gov.sg>

There are 11 statutory holidays in Singapore, including Chinese New Year (Spring Festival of China), the Mid-autumn Festival (August 15 of the Chinese lunar calendar), Eid al-Fitr (when the new moon appears in the 10th month of the Islamic calendar); Tamil New Year (during April and May); National Day (August 9); Christmas (December 25). In addition, Singapore has other festivals like New Year's Day, Easter Day, Eid Hajj, and the International Labor Day, etc.

Public Security

Singapore is one of the countries with the lowest crime rate in the world, and its social public order is generally good. Singapore's law prohibits private possession of firearms. Data from Singapore Police indicates that Singapore's crime rate in 2019 is 617 per 100,000 people. A total of 155 violent crimes and property crimes occurred, which has a drop of nearly 30% from 2018, implying a trend of decline year by year since 2005 (1,190 crimes).



Business Environment

2.1 Overall Evaluation

Thanks to its favorable business environment, Singapore attracts an increasing number of entrepreneurs from various countries to register offshore companies or invest and start business. Statistics show that there are currently more than 400 well-known multinational companies' regional headquarters and offices in Singapore, while among the world's top 500 enterprises, nearly one-third set up their Asian headquarters here.

World Bank Evaluation^①

The *Doing Business Report* released by the World Bank examines the regulatory rules in 190 economies that promote or restrict the business life cycle in 11 areas. According to the *Report*, Singapore has ranked the second place (second only to New Zealand) among 190 economies for 5 consecutive years; According to the *Report of Doing Business 2020*, Singapore achieved outstanding performance in 5 areas including starting a business, applying for construction permit, protection of minority investors, taxation and contractual obligations, with scores of 98.2, 87.9, 86, 91.6 and 84.5 respectively, ranking the 4th, the 5th, the 3rd, the 7th and the 1st place.

World Economic Forum Evaluation^②

The World Economic Forum evaluated and released the *Global Competitiveness Report*

① The World Bank, *Doing Business 2020*

② The World Economic Forum, *Global Competitiveness Report 2019*.

based on the performance of 141 economies' 98 indicators in 12 areas. According to the *Global Competitiveness Report 2019*, Singapore's Global Competitiveness Index surpassed the United States and ranked first in the world, with a score of 84.8 points (an increase of 1.3 points from the previous year). Among them, 8 items ranked in the top ten, including system (80.4 points), infrastructure (95.4 points), ICT adoption (87.1 points), health (100 points), labor market (81.2 points) and financial system (91.3 points).

World Intellectual Property Organization Evaluation^①

The *Global Innovation Index Report* issued by the World Intellectual Property Organization in conjunction with Cornell University in the United States and the European Institute of Business Administration evaluates more than 130 economies around the world with two indicators: innovation input and innovation output. According to the *2020 Global Innovation Index Report*, Singapore ranks 8th and is the most innovative economy in the Asia-Pacific region. Singapore has performed well in innovation input indicators, ranking first in the world in all sub-indices while innovation output indicators are slightly inferior, ranking 15th in the world. In addition, Singapore has improved the output indicators related to intellectual property (IP) to measure the ease of patent application and protection.

Heritage Foundation Evaluation^②

The American Heritage Foundation calculated and evaluated the economic freedom index of various countries with 4 guidelines and 12 indicators and released the *Global Economic Freedom Index Report*. According to the *2021 Global Economic Freedom Index Report*, Singapore's Economic Freedom Index scored 89.7 points, an increase of 0.3 points from 2020, ranking first for the third consecutive year, and is the only country that achieved economic freedom on all 12 indicators.

① The World Intellectual Property Organization, Global Innovation Index 2020.

② The Heritage Foundation, 2021 Index of Economic Freedom World Rankings

2.2 Infrastructure

Highway

Singapore has built a road network with 8 expressways as the main line, accounting for 15% of its total land area. As of the end of 2018, Singapore's total highway mileage was 3,500km, including 164km of expressways.

Railway

Singapore's railway system is well developed, and it takes merely 1.5 hours to travel across the country by train. As of 2019, Singapore's total length of railway is 228.1km, including 199.3km of subways with 122 stations (subway transit stations are not double counted), and 28.8km of light rail with 42 stations.

Aviation

As an important air transport hub in the Asia-Pacific region, Singapore is connected to major airports around the world. Singapore boasts 5 airports, including 2 international civil airports and 3 military ones. Among them, Changi Airport is one of the busiest airports in Southeast Asia and even in the world. In 2019, this airport's passenger throughput totaled 68.30 million person-times, with freight throughput touching 2 million tons and aircraft operations exceeding 382,000 sorties. Affected by the COVID-19 pandemic, number of flights of Changi Airport decreased sharply in 2020.

Water Transport

Singapore has five ports, namely Singapore Port, Jurong Port, Port of Pulau Bukom, Sembawang Port, Tanjong Penjuru Port.

Table 2-1 Main ports of Singapore^①

Port Name	Port Scale	Scope of Service:
Singapore Port	Singapore Port is the busiest port in the world, one of the major transit hubs in Asia, the world third largest oil refining and trading center, the world largest drilling platform manufacturing and ship repair base, the world largest logistics hub, and the world largest fuel supply port. Via Singapore Port there are more than 250 shipping routes linking the world. Singapore Port itself links to more than 600 ports of 123 countries and regions. In Singapore Port there are 5 container terminals and 54 container vessel berths, making Singapore Port the world second largest container port (second only to Shanghai Port of China). Various types of vessels from more than 130 companies of about 80 countries pass through this port all day at the average rate of 1 vessel every 12 minutes. Therefore, Singapore Port is reputed as the port with the world highest utilization rate.	<ul style="list-style-type: none"> • Transit shipment. Thanks to high-density and all-around liner routes, containers awaiting transit will be transferred to the next liner ship and transported to the destination shortly after they arrive in Singapore. At Singapore Port, most containers are stockpiled for 3-5 days, and 20% of them are stockpiled for 1 day. • Airport combined transport. In coordination of sea and air transport, the advantages of the two modes of transportation are effectively used to meet the special needs of users. • Repair center. Singapore Port can simultaneously repair ships with total tonnage of more than 2,000,000 tons, making it one of the largest ship repair bases in Asia.
Jurong Port	More than 7,000 ships with a load of 150,000 tonnage enter and exit each year, and there are 23 wharves that can berth ships with a waterline of up to 16m.	Being Singapore's only dry cargo distribution port, it uses pipeline networks and transportation systems to process steel products, cement, engineering cargo, and copper slag, etc., to achieve fast and environmentally friendly discharge and loading. The port is recognized by the London Metal Exchange as a high-quality storage and transshipment center for metal trading companies such as steel and tin ingots.

Information and Communication

In 2019, Singapore ranked 2nd place for the second straight year in the World Digital Competitiveness Ranking, and it was also the only Asian economy among the Top 5. Singapore had 1,905,800 fixed-line telephone users and 9,076,700 mobile phone users, including 7,425,600 4G users. There are 12,309,300 broadband users, of which 10,811,200 are wireless broadband users. In terms of 5G services, in 2020, the Information and Communication Media Development Agency (IMDA) will issue licenses to telecom operators-SingTel and the joint venture company formed by Star and First Link (M1) and launch the Independent 5G network nationwide in January 2021.

^① Maritime and Port Authority of Singapore: <https://www.mpa.gov.sg/web/portal/home/port-of-singapore/operations/port-infrastructure/terminals>

Electricity

Singapore's power generation is dominated by thermal power, with natural gas accounting for 95.6%, oil accounting for 0.35%, and other energy sources accounting for 4.03%. As of July 2020, there are a total of 1,656,900 power users in Singapore, including 26,200 industrial users, 130,200 commercial and service users, 1,482,700 households, and 17,900 other users. As of October 31, 2020, Singapore's Keppel Electric, Geneco (by seray an energy), Iswitch, Tuas Power, and Sembcorp Power accounted for 69.8% of the household electricity market. In addition, 5 power companies including Tuas Power, Keppel Electric, Geneco (by Seraya Energy), Pacific Light Energy and Sembcorp Power occupy 74.7% of the commercial electricity market.^①

2.3 Production Cost

Electricity Price

Singapore's electricity price is set by the Energy Market Authority (EMA) and adjusted on an average quarterly basis. It consists of four parts, namely market management and power system operation fees (paid to energy marketing companies and power system operators), and market support service fees (Paid to SP service provider), network cost (paid to SP Power Assets), energy cost (paid to power generation company).^②

Table 2-2 Electricity price of Singapore in January 2021 (exclusive of goods and services tax)^③

Electric power type	Electricity price (SG dollars/KWH)
Household LV power	20.76
Non-household LV power	20.76
High-threshold small (HTS) power source	8.90
High-threshold large (HTL) power source	8.90
Extra high-threshold (EHT) power source	7.87

① Energy Market Authority of Singapore (EMA): <https://www.ema.gov.sg>

② <https://www.spgroup.com.sg/what-we-do/billing>

③ See ①

Water price

Water price of Singapore consists of three parts, including water tariff, water conservation tax, and waterborne fee. Currently, the water price implemented in Singapore is the adjusted price on July 1, 2018.

Table 2-3 Water price of Singapore^①

Water use type	Gradient	Water price (SG dollars/cubic meter)
For civil use	0-40 cubic meters	2.74
	>40 cubic meters	3.69
For commercial use	All	2.74
Raw water	All	2.33
Industrial water	All	1.58
Water for ships	All	3.80



Special Reminder:

The water fee is calculated based on the water consumption per cubic meter. One cubic meter is equal to 1,000 liters, excluding goods and services tax (GST).

Natural Gas Price

The latest natural gas price of Singapore took effect on January 1, 2021.^②

Table 2-4 Natural gas price of Singapore (cent/kWh)

Gas use type	Pre-tax price	After-tax price (inclusive of GST)
General price	17.23	18.44
Wholesale price (Minimum monthly gas consumption of 1,000 kWh)	16.20	17.33
Wholesale price (Minimum monthly gas consumption of 50,000 kWh)	15.68	16.78



Special Reminder:

Current GST of Singapore is 7%.

① Inland Revenue Authority of Singapore: <https://www.pub.gov.sg/watersupply/waterpriceSingapore>

② City Gas of Singapore: <https://www.citygas.com.sg/useful-info/gas-tariffs/> (for natural gas price of Singapore)

Manpower Supply and Wages

According to statistics from the Ministry of Manpower of Singapore, as of the end of 2019, the total labor force reached 3,740,800, an increase of 1.8% over 2018, of which the resident labor force was 2,328,500; the overall unemployment rate was 3%, and the resident unemployment rate was 4.2%.

Foreign labor is one of the main employment forces in Singapore, accounting for nearly 40% of the total labor force. As of the end of 2019, the total foreign labor force in Singapore was 1,412,000, an increase of 26,000 over the end of the previous year.

Table 2-5 Employment Data of Singapore, 2017–2019^①

Item	2017	2018	2019
Total labor force	3,657,000	3,675,600	3,740,800
Total employed population	3,550,100	3,575,300	3,630,000
Unemployment rate (%)	2.2	2.2	3.0
Resident labor force	2,269,700	2,292,700	2,328,500
Employed residents	2,175,300	2,328,800	2,230,400
Resident unemployment rate (%)	3.1	2.9	4.2

Land and Housing Price

Land and house prices in Singapore vary by location and type. The prices of HDB flats can be found on the website of Singapore Housing Authority (www.hdb.gov.sg), and prices of industrial plants and industrial land are available on the website of Singapore Jurong Industrial Authority (www.jtc.gov.sg).

Table 2-6 Monthly rent and resale price of HDB flats in Singapore in 2020Q4^②

Housing type	Average monthly rent	Average resale price
3-room HDB flats	1,813.5 SG dollars	317,100 SG dollars
4-room HDB flats	2,167.5 SG dollars	478,900 SG dollars
5-room HDB flats	2,195.2 SG dollars	583,700 SG dollars
Executive Condo	2,198 SG dollars	644,900 SG dollars

① Singapore Department of Statistics: <https://www.singstat.gov.sg/find-data/search-by-theme/economy/labour-employment-wages-and-productivity/latest-data/> (for employment data of Singapore)

② Housing and Development Board of Singapore: <https://www.hdb.gov.sg/cs/infoweb/residential/selling-a-flat/getting-started/selling-statistics/> (for housing rental and resale price of Singapore)

Table 2-7 Rent of industrial plant and industrial land of Singapore in 2020Q1^①

Type of industrial real estate	Average rental
Multi-storied plant	18.5 SG dollars/m ² /month
General industrial land	28.57 SG dollars/ m ² /year

2.4 Financial Services

Singapore is one of the most important financial centers in the world. According to the Global Financial Centers Index issued by the British think tank Z/Yen in September 2020, Singapore ranks sixth in the world. While providing financial services throughout the Asia-Pacific and even the world, Singapore has a leading position in terms of international finance, trade finance, maritime finance, insurance, and financial operations. In addition, Singapore is also a top global foreign exchange center, asset management hub and offshore RMB settlement center.

Currency and Exchange Rate

Currency of Singapore is Singapore dollar, abbreviated as “SGD”. SG dollar is a freely convertible currency. In recent years, the exchange rate between SG dollar and US dollar was relatively stable, and 1 SGD is equivalent to 0.73 USD (according to 2020 exchange rate).

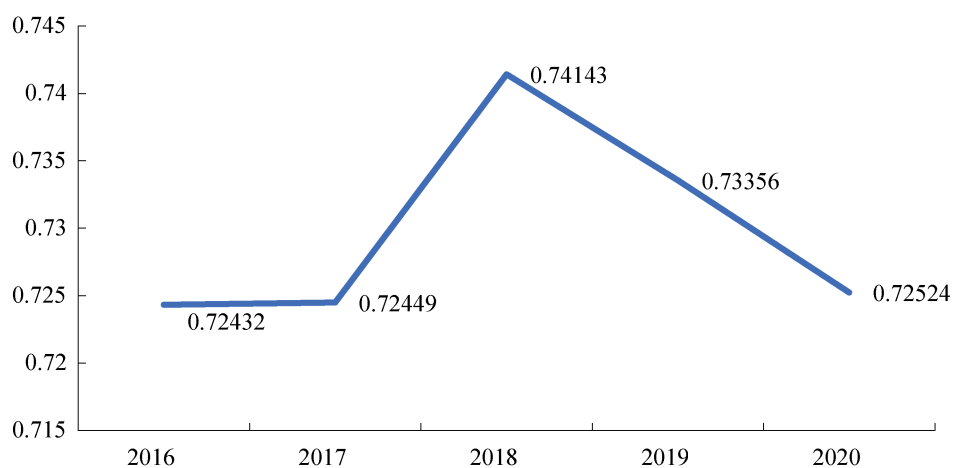


Fig. 2-1 Exchange rate between SGD and USD during 2016–2020, (average value for the year)

^① Singapore JTC Corporation: <https://www.jtc.gov.sg/>

Foreign Exchange Management^①

Singapore does not implement foreign exchange control and allows free outflow & inflow of funds. There are no restrictions on corporate profit remittance nor special tax.

In order to protect the SGD and maintain the effectiveness of the monetary policy implemented by the Monetary Authority, Singapore restricts the scale of SGD held by non-residents and the credit limit of SGD, including banks provide non-residents with financing of more than SGD 5 million for use Banks need to apply to the Monetary Authority for stocks, bonds, deposits, business investments, etc. In Singapore, if the SGD funds raised by non-residents through the issuance of stocks are used for domestic economic activities outside the scope of the Monetary Authority's permission, they must be converted into foreign exchange and the Monetary Authority must be notified beforehand. If financial institutions have reason to believe that non-residents may use SGD in speculation activities, banks should not provide them with loans; As for non-residents loan or issued stocks and bonds over 5 million SGD, if the funds is not to be used within the territory of Singapore, it must be converted into the required foreign currency or foreign currency swaps when remitted. In addition, there are certain restrictions on personal entry/exit with cash. When entering and leaving Singapore, passengers who carry a total value of more than 30,000 SGD (or foreign currency of equivalent value) and Currency or Bearer Negotiable Instruments (CBNI) must truthfully declare all amount according to provisions of laws.

Financial Institutions

Financial regulator. Singapore does not have a central bank, and the Monetary Authority of Singapore performs the functions of the Central Bank and is mainly responsible for the supervision of the financial industry, including the insurance industry.

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

Bank. By 2020, there are 210 commercial banks in Singapore, including four local banks (e.g., DBS, UOB, and OCBC) and 206 foreign banks.

Insurance.^① Singapore's insurance industry is highly developed with a multitude of market players. Foreign insurance companies use Singapore as the regional center to radiate Southeast Asia. So far, there are 79 insurance companies in Singapore, including 17 life insurance companies, 57 property insurance companies, 5 general insurance companies, 37 reinsurance companies, and 61 self-insurance companies. Singapore's Insurance Industry also has a relatively sound organization system of industry associations including property insurance industry association, life insurance industry association, reinsurance industry association, insurance brokers industry association, and insurance agent association.

Securities. Singapore's Securities Market is relatively mature and highly internationalized. Statistics of the Singapore Stock Exchange in February 2021 show that the trading volume of said month in the securities market totaled 46.206 billion shares, with turnover of securities market touching 25.782 billion SG dollars. There are a total of 695 listed companies with a total market value of 888.763 billion SG dollars.^② Singapore Securities Market consists of Mainboard and Catalist, and foreign companies registered in Singapore are entitled to deal in securities and enjoy the same treatment as local companies.^③



Special Reminder:

(1) Singapore's Financial Supervision Level is Relatively High. Singapore's financial supervision concept is comparatively advanced, and it has a strong tolerance for high-tech industries and innovative industries and provides a relatively loose financial environment for industrial

① Wang Han: Singapore: Outstanding Insurance Market, and Promotion of Globalization Strategy, China Insurance News, November 12, 2015

② https://api2.sgx.com/sites/default/files/2021-03/SGX%20Monthly%20Market%20Statistics%20Report-Feb-2021_FA3.pdf

③ http://www.ccpit.org/Contents/Channel_3590/2015/1130/507958/content_507958.htm

development. The Monetary Authority of Singapore, maintains an attitude of adequate supervision, emphasizing in-event and post-event regulation instead of pre-event supervision, focusing on principle-based supervision instead of rule-based supervision. Adhering to the following “Three-in-one” principle, the Monetary Authority of Singapore demonstrates a rather advanced supervision performance.

First, the supervision shall not run ahead of innovation. The financial industry itself is a risk-taking business, and any innovation is accompanied by risks. When the risks and impacts of a new technology are indefinite, the supervision shall not run ahead of innovation, or the innovation potential might be curbed, resulting the industry to be conservative and even lack of vitality.

Second the supervision shall not fall behind of innovation. The Monetary Authority of Singapore believes that financial regulation is still a potent tool for the country and shapes the national economy and people’s livelihood. If the regulatory authorities lag innovation, it will compromise the national financial security.

Third, the supervision shall run alongside innovation. The Monetary Authority of Singapore adopts the principle of materiality and adaptability. When new technologies bring significant and critical risks, the supervision must be in place, but it also must be in proportion to the resultant risks. The Monetary Authority of Singapore believes that regulators should be like entrepreneurs, be in the operation of the market, empathize, and have a real-time and thorough understanding of the pulse, difficulties, and development trends of technological innovation, to promptly introduce “practical” and “forward-looking” regulatory policies.

(2) Singapore Government Supports the Development of The Crypto Currency Industry. Singapore has always been friendly toward the crypto currency and is one of the countries with relatively rapid development of crypto currency and related industries and relatively complete supervision in the world. In November 2018, the Monetary Authority of Singapore issued the

Digital Token Issuance Guidelines, emphasizing the regulatory guidelines for the issuance of crypto currencies. Moreover, Singapore has promulgated relevant supervision laws including Financial Consultants Law, Payment Service Law, Corruption, Drug Dealing and Other Serious Crimes (Confiscation of Criminal Proceeds) Law, and Anti-Terrorist Financing Law, etc.

However, the Monetary Authority of Singapore has issued multiple risk warnings on crypto currencies such as bitcoin and made it clear that the crypto currencies are not legal tender but “commodities”, and listed crypto asset exchanges as digital payment token service providers and the sale of crypto currency funds to retail investors is not allowed.



Economy and Trade Policies

3.1 Market Access

Administrative Authorities

Economic Development Board (EDB) is Singapore's competent authority for foreign investment. Founded in 1961 and affiliated to the Ministry of Trade and Industry of Singapore, EDB is in charge of instituting and implementing various preferential policies to attract foreign investment, provides high-efficiency administrative services, and dedicates itself to developing Singapore into a highly attractive global business and investment hub. In addition, in case of investment in certain particular sectors, investors are required to apply permits to other relevant authorities.

Singapore's basic investment policies can be summed up as "Management over capital inflow rather than outflow", and the government encourages foreign investors to take Singapore as regional operation center, and investors, without a need of prior reporting to the government or obtaining permission, are entitled to invest in other countries. Entry and exist of personnel, capital, and goods is convenient in Singapore, and there is no foreign exchange control.

Restricted / Prohibited Sectors

Singapore enjoys an open investment environment, and foreign investment is encouraged.

Singapore Government hardly sets limits on foreign investment, but there are a few restricted or prohibited sectors, such as legal service, accounting service, radio, television, newspaper, and real estate, etc.

Table 3-1 Restricted sectors in Singapore^①

Sectors	Restrictions	Adm. Authorities
Legal services	No restrictions on foreign shareholding, but it is stipulated that prior to obtaining approval from the Ministry of Law, foreign law firms are only allowed to provide legal services related to foreign laws in Singapore and are not allowed to hire lawyers qualified to practice in Singapore or provide legal services related to Singapore law via certain registered lawyers, beyond the scope of international commercial arbitration, or related to the Singapore International Commercial Court.	Ministry of Law
Accounting service	No restrictions on foreign shareholding, but all accounting entities that provide public accounting services must be approved by the Accounting and Corporate Regulatory Authority in accordance with the Accountants Act, and their provision of public accounting services in Singapore must be controlled and managed by partners or directors. The partner or director must be a Singapore resident.	Accounting and Corporate Regulatory Authority
Radio, Television, newspaper	Singapore's radio, cable television and newspaper industries are restricted to foreign investment.	Media Development Authority
Real Estate	Foreigners and foreign enterprises are prohibited from purchasing the following real estate projects in Singapore: vacant residential land, landed residential real estate, stratified landed residences that are not approved apartment developments under the Planning Act, shophouses (for noncommercial use), association premises, place of workshop, and non-residential Real estate such as workers' dormitories or service apartments or boarding apartments registered under the hotel industry law.	Singapore Land Authority



Special Reminder:

There are a few sectors that require service permit/authorization for both foreign and domestic companies in Singapore, which include finance, headhunter, etc. For details, please refer to “Services Licensing/authorization and Regulatory Agencies in Singapore” in “Chapter 8.3 Singapore’s Commitments in RCEP”.

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).



Investment Practice:

Local company fined US\$ 6,000 for illegally operating cold storage store

In October 2020, the Singapore Food Authority (SFA) inspected Shiawase (S) Pte Ltd's licensed food processing facility and found that the company was storing meat and seafood products in a nearby unit that was not licensed as a cold storage. The product was confiscated according to law. In February 2021, during another inspection, SFA discovered that Shiawase (S) Pte Ltd continued to store meat and seafood products in unlicensed cold storage. During the two inspections, a total of about 1,800 kilograms of meat and seafood products (such as chicken, beef, fish, and shrimp) were seized. Based on this behavior, Shiawase (S) Pte Ltd was punished with an administrative penalty of US\$ 6,000.

Comment: In Singapore, most sectors don't require access permit, however, relevant qualification and license should be obtained in time for operation. For example, storage facilities for all meat/seafood products must be licensed, and in compliance with SFA requirements and food safety standards. Once convicted of illegal storage, offenders can be fined up to US\$ 10,000 or imprisoned for up to one year.

3.2 Foreign Investment Incentives

Singapore has enacted multiple incentive measures to encourage enterprises to improve their business capability and expand their business scope in Singapore and urge enterprises to engage in high-value economic activities. Currently, foreign investment incentive policies mainly fall into three categories: support to industrial clusters development, support to innovation and research, and support to productivity improvement.^①

Support to Industrial Clusters Development

Special Situation Fund for Start-ups. Managed by Singapore Economic Development Board

^① Singapore Economic Development Board: <https://www.edb.gov.sg/cn/how-we-help/incentives-and-schemes.html>

Investments (EDBI), the Fund aims to support foreign start-ups with promising prospects at all stages. Detailed incentive terms can be obtained by submitting application at EDBI's website ([https://www.edbi.com/news-room/latest-news/guidance-for-special-situation-fund-for-startups-\(sfs\)-application](https://www.edbi.com/news-room/latest-news/guidance-for-special-situation-fund-for-startups-(sfs)-application)) and further discussion with EDBI.

The Pioneer Certificate Incentive (PC) and Development and Expansion Incentive (DEI). The Pioneer Certificate Incentive (PC) and the Development and Expansion Incentive (DEI), approved by Singapore Economic Development Board, aim to encourage foreign-funded enterprises to conduct new economic activities or expand existing business in Singapore, and they are only applicable to transnational companies. Candidate can enjoy tax exemptions or 5%/10% tax deductions on eligible income. Under normal circumstances, the award period is limited to 5 years, which can be extended depending on the company's circumstances.

The Finance and Treasury Center (FTC) Incentive. Managed by Singapore Economic Development Board, it aims to encourage foreign companies to improve their financial management capabilities and use Singapore as a base for their strategic financial and asset management activities. The eligible income of approved companies can enjoy a preferential corporate tax rate of 8%. In addition, if the company obtains a loan from a financial institution outside of Singapore and uses it for a specific approved project, the withholding tax on its loan interest can be reduced or exempted. Under normal circumstances, the award period is 5 years, which can be extended depending on the company's circumstances.

Aircraft Leasing Scheme (ALS). Managed by the Singapore Economic Development Board, it aims to encourage foreign companies to develop aircraft leasing business and promote the development of Singapore's aircraft leasing industry. Approved aircraft leasing companies can enjoy a preferential corporate tax rate of 8%, and loans for the purchase of aircraft or aircraft engines can be exempt from withholding tax on interest. Under normal circumstances, the award

period is 5 years, which can be extended depending on the company's circumstances.

Innovation & Research Support

Tech@SG Programme. The Programme provides corporate guarantees to the Ministry of Manpower of Singapore (MOM) and facilitates foreign companies to apply for permits from MOM. The programme is jointly administered by the Singapore Economic Development Board (EDB) and Enterprise Singapore. Companies applying to participate in the Tech@SG program must meet all the following criteria:

(1) Incorporated a business entity in Singapore with the Accounting and Corporate Regulatory Authority (ACRA);

(2) At least one core product or service is digital or technological. That is, the applicant company is mainly engaged in software services, e-commerce, digital media, digital games, medical technology, biotechnology, clean technology, and financial technology. The following types of commercial activities will not be eligible for funding: coffee shops, hawker centers, food courts, bars, nightclubs, karaoke halls, foot massage, massage rooms, acupuncture, Chinese medicine, Chinese medicine dispensing services, employment agencies, Feng Shui, etc.

(3) Obtained more than US\$10 million (cumulative) in investment funding in the past 36 months;

(4) Obtain funds from investment companies approved by the project in the past 36 months (no minimum amount);

Tech.Pass Programme. Managed by the Singapore Economic Development Board, it issues visa that allows well-known technology entrepreneurs, leaders, and technical experts from all over the world to come to Singapore for innovative research.

The Research Incentive Scheme for Companies (RISC). RISC is under the management of Singapore Economic Development Board, and an approved RISC company is eligible for a co-funding support that accounts for 30% of the cost of qualifying R & D project (e.g. manpower,

training, consulting, equipment, software, intellectual property, and material cost), and ratio of cost subsidies for local human resources is up to 50%. The incentive period is 3 years.

The Training Grant for Company (TGC). Managed by the Skills Future Council subordinate to Singapore Ministry of Education, it encourages the cultivation of talents who master the application of new technologies, industrial skills and professional skills by supporting corporate training programs. Specific subsidy amount varies depending on the situation, and application should be filed via Skills Future website (<https://www.skillsconnect.gov.sg>).

IP Development Incentive (IDI). Managed by Singapore Economic Development Board, it aims to encourage the use and commercialization of intellectual property (IP) rights arising from research and development (R&D) activities. An approved company enjoys 5% or 10% corporate tax deductions for eligible intellectual property income earned during the incentive period. Under normal circumstances, the award period is 10 years, and each extension cannot exceed 10 years. The program is only open for applications before December 31, 2023.

Support to Productivity Improvement

The Resource Efficiency Grant for Energy (Enhanced Industry Energy Efficiency). Under the joint responsibility of the Energy Market Authority of Singapore, the Economic Development Agency and the National Environment Agency, there are three sub-projects aimed at supporting manufacturing industries to improve energy efficiency and competitiveness. The subsidy provided by the plan is in line with the carbon emission reduction, and the maximum limit is 50% of the cost.



Special Reminder:

Foreign companies in Singapore enjoy the same treatment as domestic companies and are entitled to incentive measures that are enacted for local companies. The details are as follows:

Table 3-2 Incentive measures enacted by Singapore statutory bodies

Department	Beneficiary and Contents
Maritime and Port Authority of Singapore ^①	Concessionary tax rate for maritime shipping enterprises, manpower training, and industry R & D
Singapore Tourism Board ^②	Concessionary tax rate, assistances, and resources support in the tourism industry
Building and Construction Authority of Singapore ^③	Improvement of productivity, digitization, and energy conservation, etc. in the building and construction industry
Monetary Authority of Singapore ^④	Concessionary tax rate, assistance, and resources support in the finance & insurance industry.
Skills Future Singapore and Singapore Workforce Development Agency ^⑤	Training fee support for trainees, and corporate employee training support
Infocomm Media Development Authority ^⑥	Frontier technologies like SMEs digitalization and 5G, and human resources in the media consulting industry
Inland Revenue Authority of Singapore ^⑦	Wage-raising subsidy scheme, and enterprises & public welfare institutions cooperation plan, etc.
SPRING Singapore	Fiscal and tax incentives, such as Angel Investors Tax Deduction Scheme, Angel Fund, Incubator Development Scheme, SPRING Singapore Startups Development Program, Tech Enterprises Commercialization Scheme, Entrepreneurial Start-up Scheme, Enterprise Practices Scheme, Management Talents Scholarship, Senior Management Scheme, Business Consulting Scheme, Human Resources Package, Intelligent Property Management Scheme, Creative Voucher Scheme, Technological Innovation Scheme, Brand Package, Enterprise Standardization Initiative, Productivity Comprehensive Management Scheme, Local Enterprises Financing Scheme, and Microcredit Scheme.

3.3 Special Economic Zones

To make use of scarce land resources more intensively and efficiently and drive the economic growth by means of overseas investment for lease of enclaves, Singapore has set up special economic zones (including business park, special industrial park, tech entrepreneurs park, and free trade zone), to boost formation of industrial clusters.

① Maritime and Port Authority of Singapore: <http://www.mpa.gov.sg>

② Singapore Tourism Board: <http://www.stb.gov.sg>

③ Building and Construction Authority of Singapore: <http://www.bca.gov.sg>

④ Monetary Authority of Singapore: <http://www.mas.gov.sg>

⑤ Skills Future Singapore and Singapore Workforce Development Agency: <http://www.ssg-wsg.gov.sg>

⑥ Infocomm Media Development Authority: <http://www.imda.gov.sg>

⑦ Inland Revenue Authority of Singapore: <http://www.iras.gov.sg>

Table 3-3 Types of Singapore's special economic zones and main incentive policies

Park type	Park	Incentives
Business park	International Business Park, Changi Business Park, CleanTech Park, Biopolis in One-north District, and Mediapolis and Fusionopolis.	Singapore is a city state that implements the national uniform tax policies. And it does not enact special tax incentives for the parks, so the parks are built mainly according to development characteristics of industries in the parks. Ancillary infrastructure for relevant industries in the parks is relatively consummate, so advantages of industrial cluster can be exerted. ^①
Special industrial parks	Jurong Island-based Petrochemical Industrial Park, Wafer Plants in Tampines, Pasir Ris, and Woodlands, Advanced Display Industrial Park in Tampines, Tuas Biomedical Park, Biological Industrial Park in the biotech park, Changi Airport Logistics Park, Chemical Logistics Park and Logistics Industry Park in Jurong Island, and Food Industry Park, Offshore & Marine Center, and Seletar Aerospace Park in MacPherson and Tuas.	
Tech entrepreneurs' parks	Jurong East Entrepreneurs Park, iAxil in Singapore Science Park, Redhill-Suntec City Tech Entrepreneurs Center, and Chai Chee Tech Park	
Free trade zones	Tanjong Pagar Terminal, Keppel Terminal, Brani Terminal, Keppel Logistics Park, Keppel Logistics Park Linking Bridge, Pasir Panjang Terminal, Jurong Port, and Singapore Airport Logistics Park	Before being exported via sea/air transport, the cargo will be temporarily stockpiled in the free trade zone, without need of transacting customs clearance procedures. Also, there is no need to pay import GST.
Overseas industrial parks	Industrial zones in Indonesia Batam Island and Bintan Island, Malaysia Iskandar Development Zone, and China Suzhou Industrial Park	Local trade & economic pacts and foreign investment incentive policies are mainly adopted, and incentives vary in different regions.

^① ERI Organization: <https://wenku.baidu.com/view/4e5301ea83d049649b6658b7.html>



Industrial Development

4.1 Industrial Planning

In February 2017, Singapore Committee on the Future Economy (CFE) issued a report, saying that Singapore's seven major development strategies will be implemented through three approaches (namely, maintaining Singapore's opening-up and contacts with its counterparts, mastery of profound and advanced skills, and enhanced cooperation among the employer, the employee, and the government in new forms. An annual economic growth rate of 2% to 3% is set for the 10 years to come as detailed below ^①:

(1). Deepen and expand the international contacts (strengthen cooperation in trade and investment, set up global innovation alliance, and enrich the knowledge about overseas market);

(2) Master and make good use of profound skills (assist Singapore citizens in mastering profound skills and further promote learning for practice);

(3) Strengthen enterprise innovation and expansion capability (redouble efforts in innovation of ecosystem, support enterprises to expand their businesses, and expedite private financing to meet enterprises' growth needs);

(4) Strengthen the digitalization capability (help SMEs adopt digital tech, enhance data analysis and network security capability, and make good use of data assets);

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

(5) Build thriving and interconnected thriving cities full of opportunities (strengthen the interchange between investors and the outside world, make further plans for growth and urban regeneration, join hands to build vigorous city, and institute exportable urban construction scheme);

(6) Develop and implement the industrial transformation blueprint (customize transformation blueprint for multiple industries, strengthen industrial cooperation in the opened cluster mode);

(7) Join forces to promote innovation and growth (encourage chambers of commerce and trade unions to further bring into play their roles, build the supervision environment that endorses innovation and entrepreneurship, activate potential industries via government purchase, review and adjust the taxation system, and build sustainable living environment).

4.2 Key Industries^①

Key/characteristic industries of Singapore include electronics industry, aerospace engineering, chemical industry, petrochemical and natural gas equipment and services, pharmaceutical and biotechnology industry, finance and insurance industry, etc.

Electronics Industry

The electronics industry is a pillar for Singapore's manufacturing industry. Over decades of development, Singapore has evolved into an important center for the global electronics market.

Mature research and development (R&D) capabilities. Singapore's electronic R&D institutions are mainly divided into two types: one is public research centers, such as the Institute of Microelectronics (IME); and the other is university research centers, such as the VIRTUS-Integrated Circuit Design Centre of Excellence of Singapore and the Photonics Institute of Nanyang Technological University. The scope of R&D ranges from R&D on device-level design and manufacturing process to system-level product design, software development and industrial

① Singapore Economic Development Board (EDB): <https://www.edb.gov.sg>.

design. Also, companies from all corners of the world have set up research centers in Singapore to develop next-generation components and products.

Strong production capacity. One tenth of the global integrated circuit chips are produced by Singapore. Singapore has 14 silicon integrated circuit wafer factories, 15 assembly and test operation sites, and about 30 integrated circuit design centers, including four 12-inch wafer factories, five global top companies in outsourced packaging and test, and 9 fabless integrated circuit design companies among the world's top 15. The country is also the world's top-class enterprise-level hard disk drive manufacturer and hard disk media producer, accounting for approximately 40% in the world's hard disk media market.

Broad development prospect. Singapore has formulated the national strategy of “Smart Nation 2025” and set up the Office of Smart Nation and Digital Government under the Prime Minister's Office to promote the intelligent development of national strategic projects, transportation, e-government, urban life, health, entrepreneurship and business. NXP Semiconductors Netherlands B.V.(NXP) has chosen Singapore as its pioneering partner in advanced manufacturing technology and will provide support for the next generation connected cars and Intel's smart home solutions. The industry leaders Micron and Hewlett-Packard have also established their leading sites for manufacturing analysis and 3D printing in Singapore.

Aviation Engineering

Aviation engineering represents one of Singapore's competitive industries. Currently, there are almost 22,000 employees in Singapore's aviation industry, 90% of whom are senior technical staff. More than 130 airlines have set up service centers in the country.

Advanced aircraft maintenance, repair, and overhaul (MRO) services. Singapore's MRO output accounts for 10% of the global market. In Singapore, major companies such as ST Aerospace and Goodrich provide full-aircraft MRO services, which cover airframe maintenance, engine refurbishment, and aircraft type conversion and modification.

Advanced design and manufacturing engineering. More and more companies are using Singapore's technologies in precision engineering and electronics to manufacture complex aircraft engine components. For example, in 2012, Rolls Royce established an industrial park in Seletar. In addition to engine assembly and testing, training, and R&D activities, the company also manufactured titanium alloy wide-string fan blades. Eight multinational companies including Bell Helicopter, Cessna Aircraft, Fokker Services Asia and Hawker Pacific have also set up new factories here.

Strong R&D strength. The Agency for Science, Technology and Research (A*STAR) and its research institutes has established partnerships with 15 industry leaders all over the world, including Boeing, EADS, Pratt & Whitney, and Rolls-Royce, and formed the A*STAR Research Alliance for aviation-related research. Since 2007, the alliance has undertaken more than 100 research projects.

Chemical Engineering

As one of the most leading energy and chemical hubs in the world, Singapore tries its effort to stay at the forefront of the industry in terms of chemical output and research when pursuing its development.

Advanced production base. Singapore has invested a lot of money in the construction of coal gasification plants, LNG stations and multi-user power grids, and built Jurong Island into a comprehensive base which brings many world-leading energy and chemical companies gather. BASF, ExxonMobil, Lanxess, Mitsui Chemicals, Shell, Sumitomo Chemicals, etc. are all located here. Jurong Island is also a safe chemical manufacturing base where safety and security are highlighted. It has attracted an investment of more than S\$ 50 billion.

Huge R&D investment. Singapore attaches great importance to the R&D investment in the chemical industry and has invested a lot in the construction of an efficient kerosene separator on Jurong Island. The Institute of Chemical and Engineering Sciences (ICES) under A*STAR is also

located on Jurong Island, and it is mainly responsible for exploratory research, process development, optimization and problem solving, as well as the operation of pilot scale projects. Additionally, many chemical companies, such as 3M, Bayer and BASF, have also established their private research centers.

Rich talent reserve. Singapore is committed to talent training. It has continuously trained and improved its professional skills through government initiatives, including Skills Future Earn and Learn Programme, providing 25,000 professionals for the chemical industry. Leading companies such as Mitsui and Solvay have employed Singaporean innovative talents in their R&D centers in the country.

Petrochemical and Natural Gas Equipment and Services

The petroleum industry is a hub of the Asian petroleum industry and one of the world's three largest exported petroleum refining centers. According to an estimate, from 2006 to 2030, the world's energy demand will grow by 71%, with the fastest growth for the Asia-Pacific Region and the Middle East. With a convenient geographical location, world-class port facilities, and close ties with areas in the Asia-Pacific Region, Singapore enjoys a unique advantage in supporting the growth of this strong energy demand.

Unique industrial strength. Singapore stands at the center of the maritime and offshore engineering industry. As supply chain management and logistics management are two key factors for the development of the oil and gas industry, Singapore has a strong strength in the channels of sea, land and air and represents an important transshipment port country. Also, the country is a leader in the global oil and gas drilling and offshore auxiliary ship market. Keppel and Sembcorp, which are in the country, are well-known in the world. Currently, Singapore has become the world's largest lifting type drilling rig manufacturer, with 70% of the global market share. It also has a share of 70% of the global floating production storage and offloading (FPSO) unit modification operations market and 20% of the global ship repair market.

Strong R&D capabilities. The Offshore Research and Engineering Center of the National University of Singapore (NUS) has signed a memorandum of understanding with seven industry partners to jointly develop research projects in the offshore and ocean engineering industries. To further strengthen its industry training and R&D capabilities, Singapore Polytechnic has worked together with world-renowned shipbuilding and marine engineering universities. Ngee Ann Polytechnic has set up an innovation center to assist small-and medium-sized enterprises in application research on automation, innovation, and product development.

Currently, quite many large-sized multinational oil and gas equipment manufacturers have settled in Singapore. Companies such as Baker Hughes, Halliburton, National Oilwell Varco, Schlumberger and Proclad have started to manufacture complex components such as drill bits, wellheads, and downhole production equipment in Singapore.

Pharmaceutical and Biotechnology Industry

Singapore has formed the fastest-growing bio-industry cluster in Asia. More than 30 top-class biomedical technology companies in the world all regard Singapore as a base for promoting innovation.

Leading R&D level. Singapore focuses on building a vibrant ecosystem for scientific research of biomedicine. It has joined hands with 7 research institutions and 5 research organizations in key areas, such as clinical science, genomics, bioengineering, molecular/cell biology, medical biology, bioimaging and immunology, laying a solid foundation for research. The country has also made significant progress in translational medicine and clinical research. The Hospitals and National Professional Center of Singapore cooperate with some of the world's top-class medical institutions, pharmaceutical and medical technology companies to carry out clinical research, and constantly develop new therapies and treatment technologies. Additionally, A*STAR and its biomedical research institutions have developed new therapies that are

beneficial to patients through world-class scientific research.

First-class clinical technology. Singapore is known as a center of clinical research and trial management activities in Asia. As the secretariat of the APEC Good Clinical Practice (GCP) Coordination Center, Singapore has initiated activities such as training clinical researchers, and created a beneficial environment for multi-site clinical trials in Asia, attracting Sanofi-Aventis, GlaxoSmithKline, SMD, Novartis and many other pharmaceutical companies to establish their regional clinical trial centers in Singapore. The Cancer Research Center of the National University of Singapore has developed new cancer therapies through clinical trials and made progress in the field of cancer research.

Complete talent training and support programs. Singapore trains clinical scientists through various programs, such as Singapore Translational Research (STaR) Investigator Awards, Clinician Scientist Award (CSA), Translational and Clinical Research (TCR) Flagship Program, Competitive Research Program (CRP), and Health Services Research-Competitive Research Grant (HSR-CRG), a research grant established by the Ministry of Health of Singapore in 2009 to support HSR research and help translate research results into policies and practice. Major researchers at Singapore's healthcare and academic institutions can apply for this grant of up to S\$ one million, with a validity period of two years. Singapore now has more than 4,800 skilled engineers and technicians who support the pharmaceutical and biotechnology manufacturing industry.

Extensive international medical cooperation. The Health Sciences Authority (HSA) of Singapore has signed a memorandum of understanding with leading regulatory agencies around the world, including the US Food and Drug Administration, the Medicines and Healthcare Products Regulatory Agency (MHRA) of the UK, and China Food and Drug Administration (FDA), etc. In 2009, Singapore was included in the Treaty on the Framework for the Mutual Recognition of Data under the Organization for Economic Co-operation and Development

(OECD). This enabled the data obtained from pre-clinical trials that meet laboratory standards in Singapore to be accepted by 30 OECD and non-OECD members, including the United States, the European Union and Japan.

Advanced biomedicine manufacturing bases. Leading biopharmaceutical companies, including Abbott, GlaxoSmithKline, Lonza, MSD, Novartis, Pfizer and Sanofi-Aventis, have established global manufacturing bases in Singapore one after another to manufacture diversified active pharmaceutical ingredients (APIs), biological agents, and nutritional products. Singapore has also made major breakthroughs in the production of biological agents. Baxter, Lonza, GlaxoSmithKline and Roche, etc. have established major biological agent production facilities in Singapore, with investment capital expenditure of up to US\$ 2 billion. Up to now, all pharmaceutical manufacturing plants that conduct commercial operations in the country have been accredited by the U.S. Food and Drug Administration (FDA), the European Medicines Agency (EMA), and other international regulatory authorities.

4.3 Foreign Investment

With superior geographical location, complete infrastructure and a favorable business environment, Singapore has become one of the major destinations for foreign companies to invest in. According to the Foreign Investment in Singapore 2019 of the Singapore Department of Statistics (DOS), at the end of 2019, the stock of foreign direct investment was about S\$ 1,836.568 billion, which mainly flew into the finance and insurance, retail and wholesale, as well as manufacturing industries.^①

① Singapore Department of Statistics: <https://www.singstat.gov.sg/find-data/search-by-theme?theme=trade&type=data>

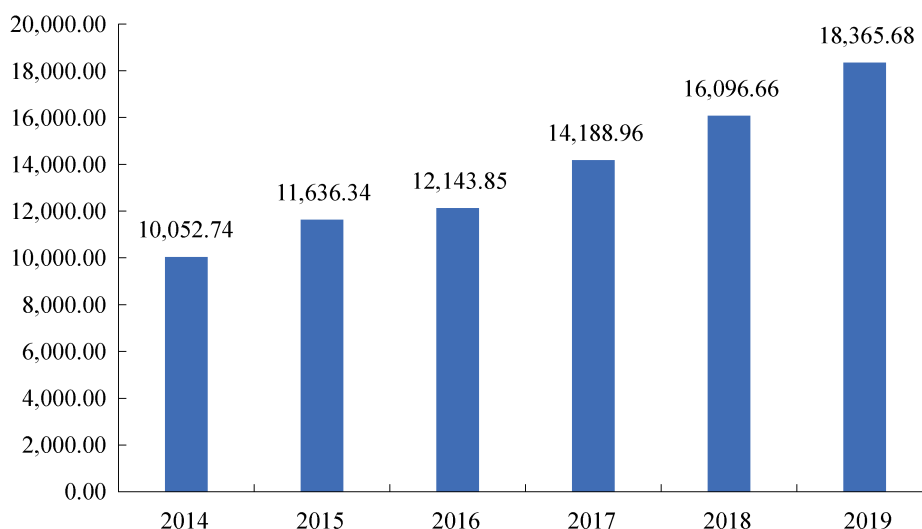


Fig. 4-1 FDI in Singapore from 2014 to 2019 (Unit: billion S\$)

Foreign Capital Sources

As of 2019, the United States, Japan, and the Netherlands were listed among the top three sources of investment in Singapore’s year-end stock of foreign direct investment, accounting for 22.69%, 6.58%, and 6.37%, respectively.

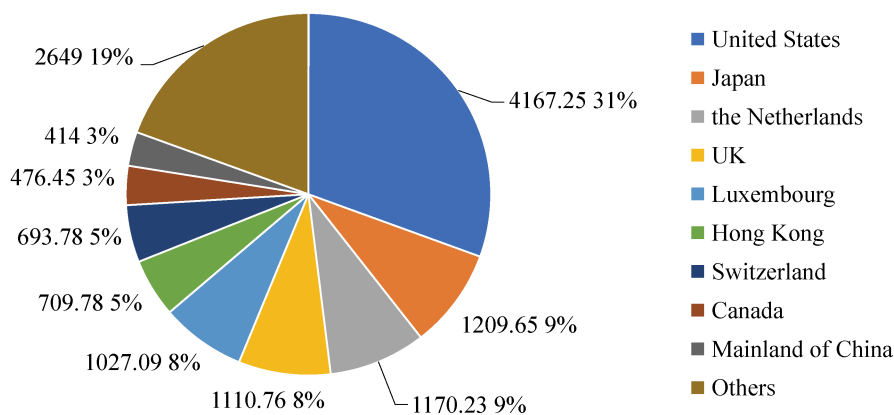


Fig. 4-2 Origin of FDI in Singapore (Unit: billion S\$)

Industry Distribution of Foreign Investment

By the end of 2019, the finance and insurance industry had become the field that attracted the most foreign investment in Singapore, about S\$1,040.851 billion (54% of the total investment absorbed). The field was followed by the retail and wholesale industry, which attracted a foreign investment of S\$ 282.831 billion (14.79%); and subsequently by the manufacturing industry,

which attracted a foreign investment of S\$ 222.065 billion (11.62%). and then by professional, technical, and administrative services, real estate, transportation and warehousing, information and communication, and construction industries.

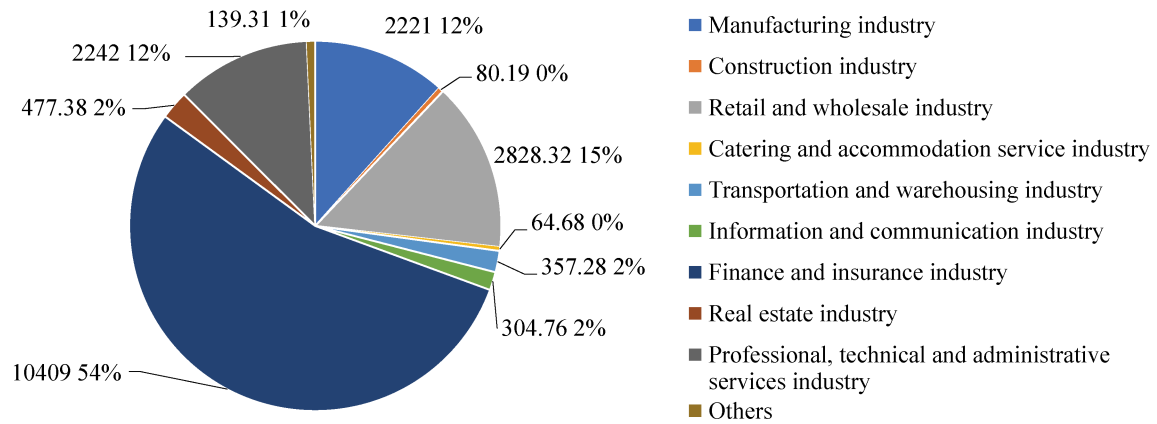


Fig. 4-3 Industrial distribution of FDI (Unit: billion S\$)



Starting a Business

5.1 Registering a Business

Competent Authorities

The authorities responsible for business registration in Singapore are the Accounting and Corporate Regulatory Authority (ACRA).^①

Entity Types

Foreign businessmen can register and establish sole proprietorships, general partnerships, limited partnerships, limited liability partnerships, companies, branches, representative offices, and other entities. Among them, branches and representative offices have no independent legal qualifications. New foreign-funded enterprises are entitled to the same benefits as domestic enterprises. In principle, there is no minimum paid-in capital limitation. A foreign businessman can start a business by depositing S\$ 1 only into the bank.

Registering a legal entity. You can directly register a company^② and apply for the license required^③, or engage a professional firm or service office to register for and on behalf of you.

Registering an unincorporated entity. Professionals need to be engaged to help you prepare

① Accounting and Corporate Regulatory Authority: www.acra.gov.sg

② Registration website: <https://www.bizfile.gov.sg>

③ To apply for the license required, visit licences.business.gov.sg.

the documents required and apply for registration through the business document system on the website of ACRA.

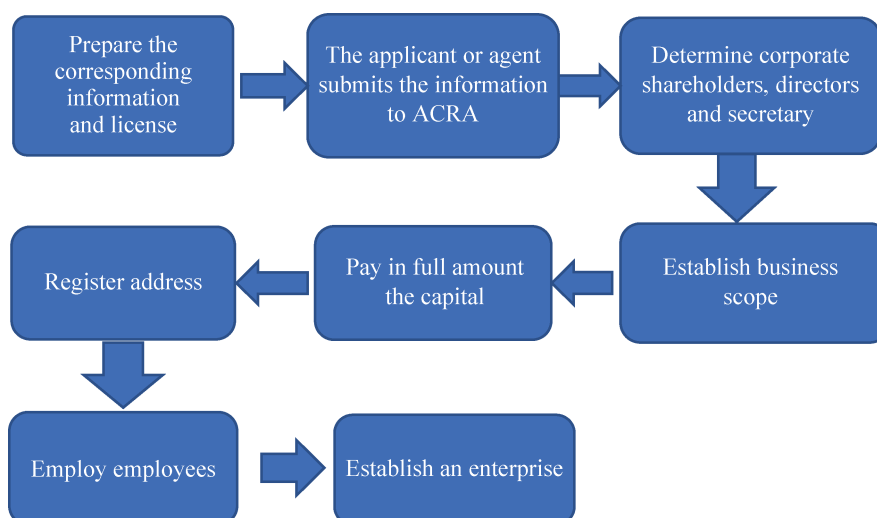


Fig. 5-1 Main procedures for registering an enterprise



Special Reminder^①:

(1) Determine the nature of the enterprise's commercial activities before registering an enterprise. You may query the Singapore standard industrial classification (SSIC) code that corresponds to the commercial activities through the SSIC Search on the website of ACRA.

(2) To establish a banking, financial or insurance entity, you must first apply for a business license from the Monetary Authority of Singapore (MAS).

(3) A foreign enterprise must have at least one agent who represents the enterprise in Singapore. The agent must be a Singapore citizen or permanent resident, or a person holding a work permit, consent in principle or a dependent pass.

5.2 Project Contracting

Acquiring Information

For bid invitation of all public engineering projects in Singapore, the competent authorities

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

are responsible for disseminating information in public. Project information is available from the e-government website of the Singapore government^①. A foreign enterprise can also participate in the bidding for procurement of the Singapore government if they meet the requirements of the tender notice.

For a private engineering project, the owner publishes information to the outside through newspapers, websites or bid invitation. The specific bidding procedures and content differ, depending on the requirements of individual companies.

Obtaining Bidding Qualifications

After an enterprise undergoes the registration procedure at ACRA, it can apply for the builder's permit or the contractor's registration qualification level from the Building and Construction Authority (BCA) of Singapore. The enterprise can start bidding for the project that corresponds to its qualification level after registering the qualifications.

Bidding

According to the provisions of the bidding laws of the Singapore government, all projects worth more than S\$ 30,000 are subject to open bidding. Enterprises that meet the qualification requirements can submit the information to the designated department in accordance with the requirements of the tender notice. The bidding committee will open the bid within 3 business days of the end of the bidding and submit it to the bid evaluation committee for evaluation. The bid evaluation committee is composed of at least 2 members. Upon the end of the bid evaluation, the committee will submit the evaluation report to the government procurement agency, which will prepare a recommendation report according to the evaluation report and submit it to the purchaser. The purchaser will decide whether to accept the recommended entity or not.

Objection

Singapore has a government procurement adjudication court. Enterprises that are not satisfied

① E-government website of the Singapore government: www.gebiz.gov.sg

with the results of bidding can file arbitration to the court within 15 days. The court commissioner who has no interest in the procurement project is responsible for hearing and adjudication.

5.3 House Leasing

Office buildings in Singapore are roughly divided into service offices and traditional offices. Service offices feature high prices, favorable environment, small area, and flexible lease time; and traditional offices are characterized by low prices, large and independent offices, with a lease term of at least 2 years, though.

The real estate administration of Singapore is the Council for Estate Agencies (CEA). Real estate agencies must hold the licenses issued by CEA, and related practitioners must register with CEA before engaging in real estate agency work.

Generally, if the lease term is within 2 years, the real estate agency will charge 50% of the monthly rent as the agency fee; and if three years or above, the real estate agency will charge one month's rent as the agency fee, and the fee will be paid after the lease contract is signed.

Table 5-1 Some of the real estate agency platforms in Singapore

Agency name	Contact information
OrangeTee & Tie Pte	Tel: +65-64718888 Website: www.orangetee.com Add: 430 Lorong 6 Toa Payoh #01-01, Orange Tee Building, Singapore 319402
ERA Singapore	Tel: +65-6226 2000 Website: www.era.com.sg Add: ERA APAC Centre 450 Lorong 6 Toa Payoh Singapore 319394
PROPnex REALTY	Tel: +65-6820 8000 Website: www.propnex.com Add: 480 Lorong 6 Toa Payoh HDB HUB East Wing #10-01 Singapore 310480
Property Guru	Tel: +65-6238 5971 Website: www.propertyguru.com.sg Add: Paya Lebar Quarter, 1 Paya Lebar Link, #12-01/04, Singapore 408533

5.4 Opening a Bank Account

To open a bank account in Singapore, the following conditions must be met:

(1) Having a legally registered and existing company (the company may be registered in Singapore, Hong Kong, China the UK, BVI or Cayman, etc.).

(2) The company cannot operate business in high-risk industries, and the products and services concerned must not be high-risk ones.

(3) Providing complete information.

Information of the company includes: certificate of registration, articles of association, commercial registration certificate; bank statements of the parent's account in the past 6 months, commercial contracts signed, commodity circulation documents of goods (such as sea and air waybills, warehousing documents, shipping notices, etc.), upstream and downstream supplier data, sales and procurement channels (such as the company's website, exhibition information, product promotion leaflets, etc.), data of affiliates, etc.

Personal data includes shareholders' passports; shareholders' address certificates (generally receipts, invoices and notices printed with individuals' names and mailing addresses, such as credit card bills, water and electricity charges documents, telephone bills, property management fees documents, etc.); shareholders' work resumes, etc.

5.5 Employee Recruitment

Employees in Singapore are mainly recruited through the following four channels: traditional online recruitment, graduating student recruitment, headhunting recruitment, and government sponsored recruitment platforms.

Table 5-2 Singapore's Employee Recruitment Channel

Channel	Company/school name	Website	Remarks
Traditional online recruitment	JobsDB	www.jobsdb.com	Low cost, extensive coverage, difficulty in controlling the quality of applicants
	JobStreet	www.jobstreet.com.sg	
	Jobs Central	jobscentral.com.sg	
	Monster	www.monster.com.sg	

Continued

Channel	Company/school name	Website	Remarks
Graduating student recruitment	National University of Singapore (NUS)	nus.edu.sg/cfg/employers	Targeted recruitment information can be published through official channels of the university
	Nanyang Technological University (NTU)	www.ntu.edu.sg/Alumni/AlumniResources/Pages/Opportunities.aspx	
	Singapore Management University (SMU)	alumni.smu.edu.sg/community/alumni-job-board	
Headhunting	Glassdoor	www.glassdoor.sg	Enterprises and their managers need to obtain the headhunting qualification certificates issued by the Ministry of Manpower of Singapore
	Michael Page	www.michaelpage.com.sg	
	Hays	www.hays.com.sg	
Government-sponsored recruitment platforms	SGUnited	www.wsg.gov.sg/SGUnited.html	Only jobs for employees with Singaporean nationality or green card holders are published
	MyCareersFuture	www.mycareersfuture.gov.sg	
	Careers@Gov	www.careers.gov.sg	

5.6 Financing

Bank Loans

There are no special thresholds for foreign-funded enterprises to apply for bank loans in Singapore. Different banks provide different services, and their services mainly include syndicated loan, account overdraft, mortgage loan, revolving loan, etc. Depending on the product and the bank, the information to be submitted by an enterprise is different. The basic information includes the credit application form, information sheet of the company and its business; the company's business license; articles of association/resolutions of the board of directors (if any); audited financial reports and recent financial reports of the company; personal income tax forms of the company's executives, independent directors, partners, or directors; specific information on collaterals and guarantors, etc.

In 2021, the average annual interest rate of commercial banks in Singapore is 5.20%.^①

Bond Issuance

Bonds are issued by means of retail and wholesale. Retail bonds are usually issued to all

① CEIC DATA <https://www.ceicdata.com/zh-hans>

investors, including large-scale retail investors, in small amounts (usually S\$ 1,000 at a minimum) and can be transacted in the open market. Wholesale bonds are only offered to institutions and qualified investors in large amounts (at least S\$ 250,000) and are traded in the over-the-counter market (OTC).

Listing on the Exchange^①

Listing on the Singapore Exchange (SGX) is divided into listing on the main board or on the Catalist. The issuer can choose two currencies in a single currency pool (except the Singapore dollar, the Australian dollar, the euro, the Hong Kong dollar and the US dollar are optional) for listing and stock trading, and the two currencies are freely interchangeable. The SGX officially launched a dual equity system in 2019. Normally, if small- and medium-sized enterprises list on the SGX, the listing fees (excluding underwriting fees) range from S\$ one million to two million.

Table 5-3 Overview of listing on the main board of SGX

Applicable to:	Institutional and individual investors that mature enterprises have wide access to.
Overview	A company seeking to list on the main board must reach the access threshold. The company must prepare a prospectus, submit it to the Monetary Authority of Singapore (MAS), and publish it on the website of MAS for a period of not less than 7 days to solicit public comments.
Access criteria	<p>(1) The company had a comprehensive pre-tax interest rate of not less than S\$ 30 million for the previous financial year, and has a business record of at least three years;</p> <p>(2) The company gained profits in the previous financial year, had a market value of not less than S\$ 150 million based on the issue price and the issued share capital upon IPO, and has a business record of at least three years;</p> <p>(3) The company had operating income in the previous financial year, and its market value calculated according to the issue price and the issued share capital upon IPO was not less than S\$ 300 million.</p> <p>* For real estate investment trusts and business trusts, if they satisfy the market value requirements of S\$ 300 million but do not have historical financial information, they can also apply for listing as long as they prove that they can generate operating income immediately after their listing. The business record at least within one year shall be provided.</p> <p>* If a mineral, oil and gas (MOG) enterprise that fails to meet the above quantitative requirements needs to seek listing, it must meet the following additional conditions: The market value calculated based on the issue price and the issued share capital upon IPO is not less than S\$ 300 million; and the plans, important events and capital expenditures for its entry into the production stage are disclosed. These plans must be supported by the opinions of independent qualified personnel.</p>

^① CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).

Continued

Other requirements	<p>(1) Review of listing documents: by SGX and MAS.</p> <p>(2) Requirements for the number of shareholders: If the market value is less than S\$ 300 million, 25% of the issued shares shall be held by at least 500 shareholders (if the market value is S\$ 300 million or above, the shareholding percentages shall be 120% to 20%). For second listing, the company must have at least 500 shareholders worldwide. If there is no framework or arrangement for facilitating the share transfer signed between the SGX and the first listed exchange, there must be at least 500 shareholders in Singapore or at least 1,000 shareholders worldwide.</p> <p>(3) Independent directors: For all issuers, there must be two independent directors; and for overseas issuers, there must be at least two independent directors who are Singapore residents.</p> <p>(4) Lock-up: If the issuer passes the market value test, it may not sell any shares within six months of listing. If the issuer passes the market value test, it may not sell any shares within six months of listing but may sell 50% of the shares it holds within 12 months upon the expiry of the six-month period. For a pre-IPO investor that has acquired shares in the 12 months prior to the IPO and holds 5% or more of the shares, the profit for its shares has a six-month lock-up period after listing. The profit is calculated as follows: Multiply the percentage difference between the IPO price and the share price paid by the investor by the number of shares held.</p> <p>(5) IPO documents: Submit the prospectus on the OPERA website of the MAS in accordance with the Singapore Financial Reporting Standards, International Financial Standards, or the US Generally Accepted Accounting Principles.</p> <p>(6) Place of registration/currency of transaction and presentation: at the discretion of the issuer.</p> <p>(7) Business operation: No requirement for business operation in Singapore is specified.</p> <p>(8) Continuing obligations: The rules regarding material information, regular reports, newly issued shares, company transactions, corporate governance guidelines, connected party transactions and number of public shares held will apply.</p>
Fees	<p>(1) Initial listing fees: S\$ 100,000-200,000, calculated based on the market value at the time of entry (S\$ 100 per S\$ one million). The additional commission charges of S\$ 20,000 are charged.</p> <p>(2) Annual fees: S\$ 35,000-150,000, calculated based on the current market value, S\$ 30 per S\$ one million; S\$ one million is charged per S\$ 100 of the additional shares. If additional shares are issued due to corporate actions, such as share splitting and consolidation, dividend share issuance or reduction or total market value of this type of shares will not change, there will be no need to pay additional listing fees. If additional fees are issued due to the exercise of employees' share option, there will be no need to pay the listing fees.</p> <p>(3) Commission charges: The SGX charges a commission charges ranging from S\$ 3,000-8,000 for the processing of documents, such as notices, memorandums of information, introduction documents, articles of association, power of attorney), depending on the nature and complexity of the documents.</p>

Table 5-4 Overview of listing on SGX's Catalist

Applicable to:	An ideal platform for companies in the fast-growing stage to seek their first listing
Overview	A company seeking to list on the Catalist must be proposed by a full sponsor authorized by the SGX and be listed through IPO or reverse takeover. The SGX sets no quantitative access threshold, and the full sponsor decides whether applicant is suitable for listing on the SGX. The company submits the offering documents to the SGX and publishes them on the Catalodge website of the SGX for at least 14 days to solicit public comments.
Access standard for listing	<p>The SGX sets no quantitative minimum standard. Sponsors make selections according to their own internal transaction selection standards.</p> <p>* A mineral, oil and gas (MOG) enterprise must at least have the estimated number of resources (minerals) or off-balance sheet resources (oil and natural gas), and operating capital must meet the capital requirements for 18 months of listing</p>

Continued

<p>Overview of other requirements for listing</p>	<p>(1) Review of listing documents: by the sponsor and the SGX.</p> <p>(2) Share distribution: The public holds 15% of the post-IPO share capital, and there must be at least 200 shareholders.</p> <p>(3) Number of independent directors: two (In the case of a foreign company, a least one independent director should be a Singapore resident).</p> <p>(4) Lockup: In the case of IPO, if the issuers, as a group, hold over 50% of the post-IPO share capital, they may sell part of the shares but must reserve at least 50% of all shares. If the post-IPO share capital they hold has a share of less than 50%, they may not sell any shares during the IPO period. No issuer may sell any shares within six months of IPO. An issuer may at most sell 50% of its shares within 12 months upon the expiry of the six-month period. For a pre-IPO investor that has acquired shares in the 12 months prior to the IPO, the “profit part” for its shares has a 12-month lock-up period after listing. The profit part is calculated as follows: Multiply the percentage difference between the IPO price and the share price paid by the investor by the number of shares held. Sponsors of a MOG enterprise shall sell no share within 12 months of IPO. However, they may, at most, sell 50% of their shares within 12 months upon the expiry of the six-month period.</p> <p>(5) IPO documents: The offering documents shall be first submitted through the Catelodge website of the SGX. Directors and sponsors of the issuer shall provide a statement on the sufficiency of the company's operating capital for 12 months (in the case of a MOG enterprise, for 18 months). The Singapore Financial Reporting Standards, International Financial Standards, and the US Generally Accepted Accounting Principles shall apply.</p> <p>(6) Place of registration: at the discretion of the issuer.</p> <p>(7) Business operation: No business operation in Singapore is required.</p> <p>(8) Continuing obligations: The rules regarding material information, regular reports, newly issued shares, company transactions, corporate governance guidelines, connected party transactions and number of public shares held will apply. Sponsors are required to be further employed upon listing at the Catalyst.</p>
<p>Listing fees:</p>	<p>(1) Initial listing fees: S\$ 30,000-100,000, calculated based on the market value at the time of entry (S\$ 100 per S\$ one million). The additional commission charges of S\$ 2,000 are charged. Annual fees: S\$ 15,000-50,000, calculated based on the current market value, S\$ 25 per S\$ one million.</p> <p>(3) Additional listing fee: A fixed fee of S\$ 8,000 shall be paid for each additional securities listing. The company shall pay a one-time fee of S\$ 1,000 when registering the activities except the secondary issue of securities. If additional share securities need to be issued due to corporate actions, such as share splitting and consolidation, dividend issuance or reduction, which will not change the total market value of such securities, there will be no need to pay the additional listing fee. If additional share securities are issued due to employees' exercise of subscription right, there will be no need to pay the listing fee.</p> <p>(4) Commission charges: The access fees and fixed annual fees for a full sponsor are S\$ 50,000 and 30,000; those for a continuous sponsor are S\$ 30,000 and 15,000; the annual event fee is S\$ 8,000 (introduction activities) or S\$ 15,000 to 75,000 (depending on the number of companies managed); and the access fees and annual fees for registered professionals in continuous activities are S\$ 1,500 and 400.</p>



Special Reminder

To attract more companies to list in Singapore, MAS launched a three-year Singaporean Capital Market Subsidy Program in February 2019^①. Details of the program are as follows:

(1) Subsidies for listing fees: During the program period, Singapore will allocate S\$ 75 million to provide a certain percentage of subsidies in relation to SGX listing fees and related issuance manager fees, sponsorship fees, underwriting fees, placement fees, audit fees, legal fees, and market research fees. The subsidies are provided to local and foreign companies, excluding real estate investment trusts and business trusts. An emerging technology company with a market value of at least S\$ 300 million may receive subsidies of up to 20% of the listing fees, not exceeding S\$ one million, if it is listed in high-growth industries. A company in a high-growth industry and with a market value of at least S\$ 300 million can receive subsidies of up to 20% of the listing fees, not exceeding S\$ 500,000. Any other company (without minimum market value requirements) may also receive a 20% of the subsidies, not exceeding S\$ 200,000.

(2) Research talent development subsidy: For a Singapore financial institution with stock research capabilities, if the institution hires a graduating student as stock research analyst, it may receive a subsidy equivalent to 70% of the employee's wages; and if the institution hires a professional stock research analyst, it may receive a subsidy equivalent to 50% of the employee's wage. "Wage" means the fixed basic wage that satisfies conditions (such as fixed allowance but excluding bonus or performance income).

(3) Research project fund: It is used to fund crowdsourcing projects (including new forms of stock research or innovative practice to push research and disseminate corporate information to investors) and to promote the development of the Singapore stock research ecosystem.

① Money Authority of Singapore, Grant for Equity Market Singapore Scheme, 14 January 2019, <https://www.mas.gov.sg>.



Investment Practice:

Green financing in the Singapore's financial market

To encourage SMEs to take a sustainable path and reduce their green financing cost, MAS introduced the world's first Green and Sustainability-Linked Loan Grant Scheme in January 2020. By hiring independent assessment companies and supporting banks to develop green and sustainability-related loan frameworks, MAS promotes easier access to such financing for small and medium-sized enterprises.

According to the data from MAS, three banks in Singapore issued a total of S\$ 9 billion in green financing in 2019. By the end of August 2020, Singapore had become the largest green financing market in ASEAN, accounting for nearly 50% of the entire ASEAN green bond and loan market. For example, UOB, together with BNP Paribas, had issued a loan of S\$ 270 million to the Singapore Branch of Agricultural Bank of China; DBS Group had issued a green loan of nearly S\$ 90 million to AU Optronics; and OCBC Bank had also provided green financing to renewable energy projects of the UK, Australia, and Malaysia^①. Additionally, Singapore had also received green bonds from non-corporate legal entities. In May 2020, NUS had issued green bonds worth S\$ 300 million, becoming the first institution issuing green bonds in the name of a public university in the country.

Comment: With a favorable business environment, convenient corporate registration conditions and developed financial market, Singapore has become an important international financial market. Companies from Myanmar, Malaysia, Taiwan, China, Hong Kong, China, South Korea, Japan, Australia and other countries and regions are further financing in the Singapore market. Companies and institutions with financing needs, especially green bond financing needs, can try to issue cross-border bonds, or go to Singapore to set up legal entities

^① Lianhe Zaobao. With an amount of S\$ 9 billion, the three local banks of Singapore see rapid growth in green financing.

qualified for bond issuance to issue bonds, and regard Singapore as a corporate financing center.

5.7 Applying for Patents and Registering Trademarks

In Singapore, patents and trademarks can be directly registered by investors. However, some types of trademarks and patent applications involve complicated procedures due to the large paperwork load. It is suggested that a professional company should be found in the local for assistance.

Patent/trademark applicants can log on to the electronic office website^① of the Intellectual Property Office of Singapore (IPOS) to submit information or submit paper-based information offline.

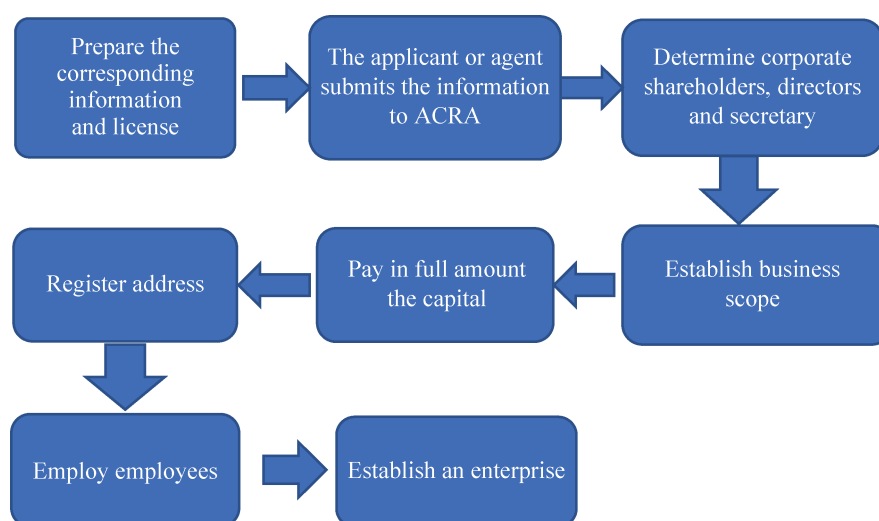


Fig. 5-2 The patent application process in Singapore^②

① Website: <https://ip2sg.ipos.gov.sg>

② Intellectual Property Office of Singapore: <https://www.ipos.gov.sg/>

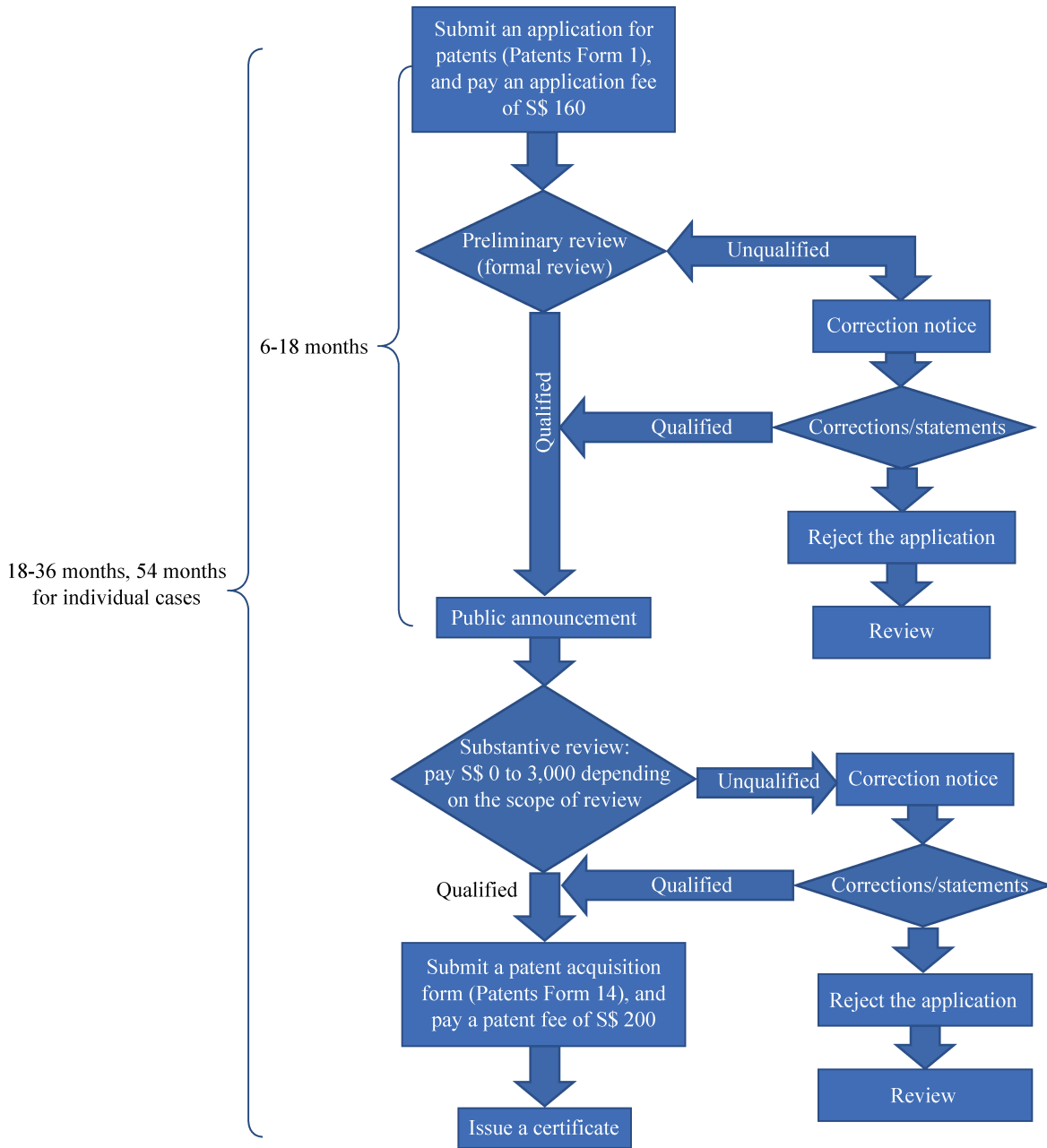


Fig. 5-3 Singapore's trademark registration process^①

5.8 Tax Payment

Tax Declaration

Taxes are declared on an annual basis in Singapore.

Personal taxes must be declared not later than April 15 of the following year, and both

① Intellectual Property Office of Singapore: <https://www.ipos.gov.sg/>

spouses should fill out personal income tax returns separately.

For the corporate tax, the estimated taxable income (ECI) shall be submitted within three months of the financial year of the company, and the actual tax declaration and payment must be completed before November 30 each year.

Tax Declaration Channels

Personal declaration. Singapore's personal income tax can be declared through paper and electronic means (online or by telephone). For online declaration, you can log onto the website www.mytax.iras.gov.sg to fill in the information online; for paper declaration, you need to download the declaration form from the website of the tax bureau or call 1800-3568622 to obtain the declaration form, fill it out and mail it to the tax authorities. The specific declaration process is as follows:

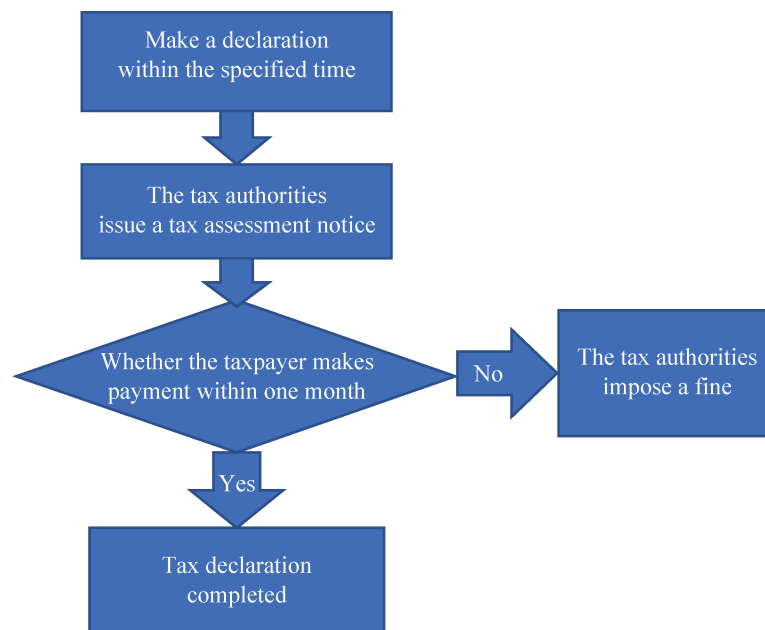


Fig. 5-4 Individual tax declaration process and cautions



Special Reminder:

Taxpayers can also apply to the tax bureau for paying the personal income taxes in installments, up to 12 installments. Employers do not need to withhold the personal income tax

from an individual's monthly wage.

Tax declaration by enterprises Singapore enterprises can declare income tax online^① or in paper form but must declare consumption tax electronically through the website of the tax bureau^②. The specific declaration process is as follows:

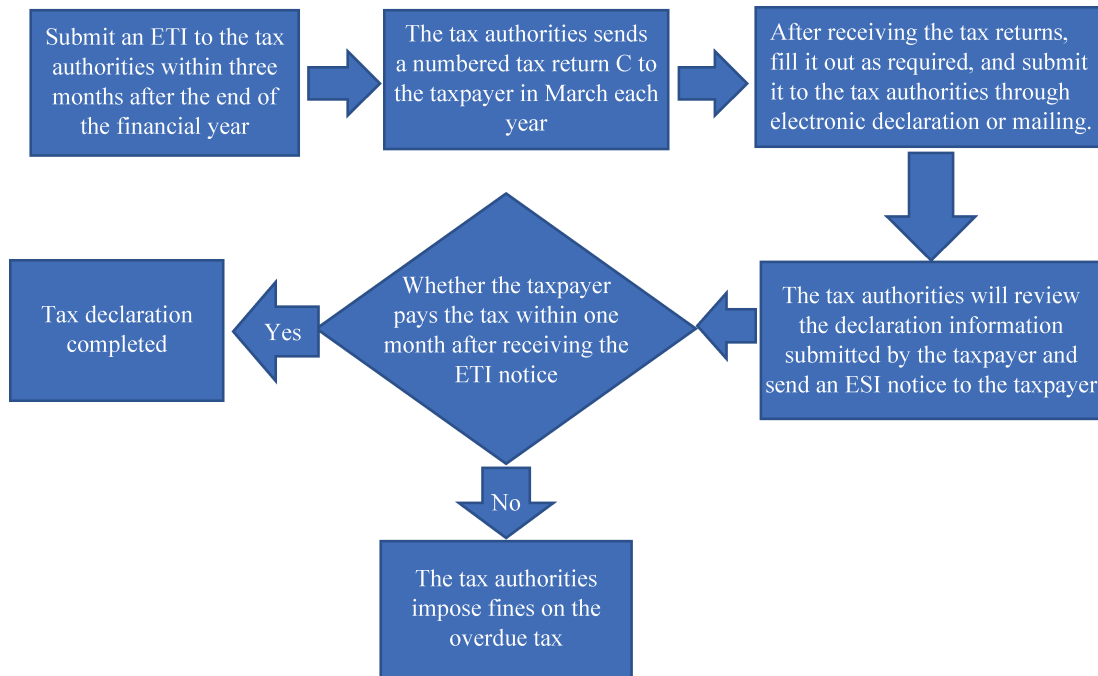


Fig.5-5 Corporate tax declaration process in Singapore^③

① Website: www.mytax.iras.gov.sg

② Website: www.iras.gov.sg

③ The International Taxation Department of the State Administration of Taxation of the People's Republic of China, Tax Guide for Chinese residents to invest in Singapore (2019)



Legal Provisions

6.1 Land

Competent Authorities and Relevant Laws

Singapore Land Authority (SLA) is the main authority responsible for land management, grants lands based on Grant of Land Scheme (GLS) and Industrial Grant of Land Scheme (IGLS). Relevant laws and policies include *Land Expropriation Act*, *Residential Property Act*, etc., among which the *Land Expropriation Act* stipulates that the government may forcibly expropriate land needed for public purposes. The government further formulates detailed land acquisition procedures, operating process and land compensation standards to prevent the power from abused.

Land Classification^①

In Singapore, there are two main forms of land in Singapore: state-owned and private of which state-owned land consists of state-owned land and public land. At present, about 53% of the land is owned by the state, 27% by the public and 20% by the private.

Due to its small land area, Singapore has less land for agriculture and more land for industry and commerce, in which the non-residential land includes 12 categories, such as commercial

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

land, hotel land and industrial land I (Business1 (industrial), B1), industrial land II (Business2 (industrial), B2), business park and health and medical center. Among them, the industrial land involved in enterprise development includes industrial land I (B1), industrial land II (B2), and business park.

Provisions on the Acquisition of Land by Foreign-funded Enterprises^①

Singapore Act 274, the *Residential Property Act* (RPA), imposes restrictions on the sale or transfer of certain “residential real estate” to foreign individuals or enterprises described in the Act. Residential property under the *Residential Property Act* is confined to sale and transfer to Singaporean citizens and “approved purchasers” (as defined in the *Residential Property Act*). Any transaction in contravention of the *Residential Property Act* will be deemed void. Exceptions to the above general rule are as follows: foreigners are allowed to purchase certain types of non-restricted property, such as flats, but are not permitted to purchase any HDB flats without approval; foreigners may take possession of residential property as tenants for a tenancy period not exceeding 7 years (including any renewal).

In addition, foreigners are allowed to acquire, possess and dispose of non-residential property, including commercial property, such as office buildings and retail malls, the hotels registered under the *Hotel Act*, the Singapore Act 127, and industrial property.

6.2 Tax

Competent Authorities and Relevant Laws

The relevant laws and regulations, to which the Inland Revenue Authority of Singapore (as tax authority) refers, include the *Income Tax Act*, the *Economic Development Encouragement*

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

(Income Tax Reduction) Act, the Consumption Tax Act, etc.

Tax System^①

In Singapore, tax territoriality principle is adopted to implement a nationwide unified tax system. The income of any company or individual (including foreign companies and individuals) that is newly incurred or derived from new income, or that is newly acquired or deemed to be newly acquired shall be taxable income and shall be subject to tax.

The main tax categories in Singapore include corporate income tax, individual income tax, consumption tax, property tax, stamp duty and labor tax.

Corporate income tax. The standard corporate income tax rate in Singapore is 17%, with 75% tax exemption for the first S\$100,000 of taxable income and 50% tax exemption for the first S\$100,000 to S\$190,000 of taxable income starting from tax year 2020.

Individual income tax. Taxpayers consist of resident individuals and non-resident individuals. Resident individuals include Singapore citizens, Singapore permanent residents and foreign individuals who have resided or worked in Singapore for more than 183 days in a taxable year. Non-resident individuals refer to foreign individuals who have resided or worked in Singapore for less than 183 days in a taxable year.

Table 6-1 Individual Income Tax Rate in Singapore^②

Annual taxable income	Tax rate (%)	Tax payable (S\$)
The first S\$20,000 of taxable income	0	0
The first S\$10,000 of taxable income	2%	200
The first S\$30,000 of taxable income	–	200
The first S\$10,000 of taxable income	3.5%	350
The first S\$40,000 of taxable income	–	550
The last S\$40,000 of taxable income	7.0%	2,800
The first S\$80,000 of taxable income	–	3,350
The last S\$40,000 of taxable income	11.5%	4,600

① The International Taxation Department of the State Administration of Taxation of the People's Republic of China, Tax Guide for Chinese residents to invest in Singapore (2019)

② Check the website <https://www.iras.gov.sg/irashome/Quick-Links/Calculators/> for individual income tax rate

Continued

Annual taxable income	Tax rate (%)	Tax payable (S\$)
The first S\$120,000 of taxable income The last S\$40,000 of taxable income	–	7,950
	15%	6,000
The first S\$160,000 of taxable income The last S\$40,000 of taxable income	–	13,950
	18%	7,200
The first S\$200,000 of taxable income The last S\$40,000 of taxable income	–	21,150
	19%	7,600
The first S\$240,000 of taxable income The last S\$40,000 of taxable income	–	28,750
	19.5%	7,800
The first S\$280,000 of taxable income The last S\$40,000 of taxable income	–	36,550
	20%	8,000
The first S\$320,000 of taxable income Above S\$320,000	–	44,500
	22%	–

Consumption tax. Goods and services supplied or imported goods in Singapore shall be subjected to consumption tax. The consumption tax can be credited by input tax, and only the value added in the supply chain stage is taxed. Singapore has adopted a 7% consumption tax rate since July 1, 2007.

Being classified as international services, exports of goods and services are taxed at 0%; Sale and leasing of unfurnished residential properties, import and supply of local precious metals for investment and financial services are exempt from consumption tax; goods sold overseas, private transactions, etc., are not subject to consumption tax.



Special Reminder:

In February 2021, Ong Swee Kitt, Deputy Prime Minister and Finance Minister of Singapore, proposed an increase in consumption tax during the period of 2022 to 2025. Please note for the attention of investors.

Property tax^① Property tax in Singapore is calculated annually in progressive rate. The

^① Check the website <https://www.iras.gov.sg/irashome/Property/Property-owners/Working-out-your-taxes/Property-Tax-Rates-and-Sample-Calculations/#title2> for housing property tax

annual value is the net profit of rental income earned by an owner renting out a house for one-year leasing expenses such as property management, mortgage interest and home repairs; It shall be calculated annually by Inland Revenue Authority of Singapore based on the average rental returns of each region, which is usually lower than the rental profits.

Individuals living in their own residences are subject to a lower tax rate, while individuals not living in their own residences are subject to a higher tax rate, as follows:

Table 6-2 Property Tax Rate in Singapore (property tax rate for owner-occupied residence)

Progressive tax bracket	Annual value (S\$10,000)	Tax rate (%)
The first bracket	0.8	0
The second bracket	0.8-5.5	4
The third bracket	5.5-7.0	6
The fourth bracket	7.0-8.5	8
The fifth bracket	8.5-10	10
The sixth bracket	10-11.5	12
The seventh bracket	11.5-13.0	14
The eighth bracket	More than 13.0	16

Table 6-3 Property Tax Rate in Singapore (property tax rate for owner-occupied residence)

Progressive tax bracket	Annual value (S\$10,000)	Tax rate (%)
The first bracket	3.0	10
The second bracket	3.0-4.5	12
The third bracket	4.5-6.0	14
The fourth bracket	6.0-7.5	16
The fifth bracket	7.5-9.0	18
The sixth bracket	More than 9.0	20

Stamp duty. Singapore imposes stamp duty on legal documents relating to transfers of real estate, transfers of stocks and shares and mortgages, including stamp duty imposed on buyer, stamp duty on seller, additional stamp duty on buyer and stamp duty on lease, with different progressive rates depending on the purposes used. Due to its excessive categories and low proportion in the total tax of the company, stamp duty will not be described here. The detailed information can be found on the website of Inland Revenue Authority of Singapore (<https://www.iras.gov.sg>).

Labor tax. Labor tax is a tax levied in certain percentage on Singapore companies employing

foreign workers. For details, please refer to Table 6-4 “Maximum proportion of foreign workers in Singapore and standard on labor tax” in “6.3 Employment” section.

6.3 Employment

Competent Authorities and Relevant Laws

Ministry of Manpower, the department of employment and protection of labor rights in Singapore, regulates work permits, labor relations, management of foreign workers, compensation for industrial injury and occupational safety and health in accordance with the *Immigration Act*, *Employment Act*, *Employment of Foreign Act*, *Workplace Safety and Health Act*, *Worker Injury Compensation Act*, *Employment Agencies Act*, etc.

Main Clauses

Labor contract. Any agreement reached by both parties in written, oral, express, or implied form shall constitute a labor contract.^① Since 2015, employers have been required to provide employees with the terms of main contract in writing for employment contracts longer than 14 days.^②

Working hours. The specified involuntary working-time of employees shall not exceed 8 hours per day and 5 and a half days (44 hours) per week, with at least one day off per week.^③

Salary payments. In Singapore, no minimum wage is stipulated. Employers should pay wages as contracted, including bonuses for contracted overtime work completed by workers, excluding accommodation, utilities, medical care and other welfare benefits.^④ The payment period should not exceed one month and can be made by cash, check or bank transfer.^⑤

Medical insurance and social insurance. In Singapore, medical insurance and social insurance are funded from individual Central Provident Fund (CPF) accounts. Companies and employees,

① Article 2, paragraph 1, *Employment Act*.

② *Employment Law Amendments Act in 2015*.

③ Article 38 of the *Employment Law*.

④ Article 27 of the *Employment Law*.

⑤ Article 20 and Article 34 of the *Employment Law*.

whether full-time or part-time, must contribute to the CPF as required if they are Singaporean citizens or permanent residents and earn more than S\$50 per month, with the specific proportion detailed on the website of the Ministry of Manpower (<https://www.mom.gov.sg/>).

Hiring Foreign Employees

The government of Singapore stipulates the maximum proportion of foreign employees in different industries and charges a certain percentage of labor tax on Singapore companies employing foreign workers. Employed foreign employees are permitted to work with valid Work Permit. The Singapore Work Permit mainly includes Employment Pass, S Pass and Labor Pass. The total number of Employment Pass approved by the Ministry of Manpower of Singapore is limited to no more than 200,000, and employees with a salary of at least S\$4,500 a month and a bachelor's degree are exempt from labor tax. Both S pass and Labor Pass shall be applied by the company to the Ministry of Manpower, and labor tax is necessary. The minimum salary for the former is S\$2,500/month, while the latter has no minimum salary requirement.

The Pass should be applied by the employer, or the intermediary company entrusted by the employer on the application portal (<https://www.mom.gov.sg/passes-and-permits>) of the Singapore Ministry of Manpower; submit the required material. The material required varies from countries and industries, which can be found on the visa application page.

Table 6-4 Maximum proportion of foreign workers in Singapore and standard on labor tax^①

Type of work pass	Maximum proportion of foreign workers (%)	Standards of foreign workers levy	
		Percentage of actual employment of foreign workers (%)	Labor tax (Singapore dollar/person-month) for skilled/unskilled workers
S Pass			
S Pass (excluding service industry)	20	≤ 10	330
		> 10-≤ 20	650
	15	≤ 10	330
		> 10-≤ 15	650

① Singapore Ministry of Manpower: <https://www.mom.gov.sg/passes-and-permits/work-permit-for-foreign-worker/sector-specific-rules>, requirements on work permit for specific industries

Continued

Type of work pass	Maximum proportion of foreign workers (%)	Standards of foreign workers levy	
		Percentage of actual employment of foreign workers (%)	Labor tax (Singapore dollar/person-month) for skilled/unskilled workers
Employment Pass			
Manufacturing industry	60	≤ 25	250/370
		> 25-≤ 50	350/470
		> 50-≤ 60	550/650
Waiter	40	≤ 10	300/450
		> 10-≤ 25	400/600
		> 25-≤ 40	600/800
Construction industry	MYE indicators are available	≤ 87.5	300/700
	MYE indicators are unavailable	-	600/950
Processing industry	MYE indicators are available	≤ 87.5	300/450
	MYE indicators are unavailable	-	600/750
Maritime industry	81.8	≤ 81.8	300/400

Note: From July 1, 2018 to June 30, 2019

6.4 Protection of Intellectual Property Rights

Competent Authorities and Relevant Laws

The Intellectual Property Office of Singapore (IPOS) is the the main administrative department for intellectual property rights, that is in charge of managing Singapore's intellectual property protection system based on major laws and regulations, including the *Trade Marks Act*, *Patents Act*, *Copyright Act*, *Registered Designs Act*, *Plant Varieties Protection Act*, *Geographical Indications Act 2014*,, *The Layout-Design of Integrated Circuits Act* etc.

In addition, Singapore is also a contracting party to such international treaties as the Paris Convention for the *Protection of Industrial Property*, the *Madrid Protocol*, the *Budapest Treaty*, the *Patent Cooperation Treaty*, the *Agreement on Trade-related aspects of IP Right*, and the

World Intellectual Property Organization.^①

Patents, trademarks, registered designs, Copyrights (Copyrights), integrated circuit designs, geographical indications, trade secrets and confidential information, and plant varieties are protected in Singapore. This guide is only a brief introduction to patents and trademarks. For more information, please refer to the Intellectual Property Office of Singapore (<https://www.ipos.gov.sg/>).

Issues Related to Patent and Trademark Registration

Application for patent. Patent-related information such as the invention and the operating instructions or disclosures should be detailed in patent application. The Patent Law stipulates that a patent shall be valid for 20 years from the date of application, and the period shall not be extended.^②

Registration of trademark. A trademark will be examined by Intellectual Property Office for its “characteristics” and is permitted to be registered in case of no rejection. It usually takes 8-10 months for completion. According to the “Trademark Act”, the registered trademark is valid for a long time, but must be renewed every 10 years.

Punishment Measures

As stipulated by Singapore’s laws, civil proceedings may be instituted against infringements of intellectual property rights, and criminal liability shall be borne if a crime is constituted, including fine, imprisonment, or both. Fines range from S\$10,000 to S\$100,000, and imprisonment up to 5 years, depending on the circumstances. Please refer to the website of the Intellectual Property Office of Singapore for detailed provisions on punishment for intellectual property infringement.

① Legal Affairs Department of CCPIT, Studies on Laws of the “Belt & Road” Countries-Singapore.

② CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).



Investment Practice:

Trademark Dispute between Swatch and Apple^①

Swatch Ltd, a unit of the Swatch AG, is in a dispute over the trademark “IWATCH” with Apple at the Singapore Intellectual Property Office. Swatch raised the issue with national IP authorities in 2014 and received support from the UK’s IP Office in 2016. In UK, Apple is allowed to use the “IWATCH” trademark for software and computer accessories but not for hardware (displays, audio and food equipment, cameras, etc.).

Swatch’s trademark objection to the Intellectual Property Office of Singapore is mainly based on the following: (1) the trademark “Swatch” is under the category of “watch”; (2) The trademark “IWATCH” is under Item 14 of “including clocks and timers (and other goods)”. Users may get confused due to the similar name. According to Swatch, smart watches, as wearable computing devices with unlimited connectivity, shall be fallen under the categories of “computers, computer hardware, computing peripherals, and wireless communication devices.” In 2019, the Intellectual Property Office of Singapore ruled that Apple’s trademark registration was justified, against Swatch’s objection. Despite the low similarity between “IWATCH” and “SWATCH”, they are fundamentally different, and the core function of a smart watch is still to report the time, while other functions only play an auxiliary role.

Comment: The continuous emergence of new technologies, new economies, and new industries in the world lead to the increasing of relevant frictions in the field of intellectual property rights. However, due to the regional nature of intellectual property rights, laws and regulations vary from country to country, resulting completely different judgment. Enterprises is suggested to conduct a comprehensive investigation of intellectual property rights before business development, register intellectual property rights in time, to avoid infringement or being infringed by others, and safeguard their legitimate rights and interests.

^① Adapted from China Council for the Promotion of International Trade Patent and Trademark Office, “Swatch fails to block Apple from trademarking ’Iwatch”, original news from the Intellectual Property Office of Singapore.

6.5 Import and Export Management

Competent Authorities and Relevant Laws

Singapore's custom is attached to the General Administration of Customs under the Ministry of Finance. The main laws involved are *Customs Act*, *Goods and Services Taxation Ordinance*, *Import and Export Administration Ordinance*, *Free Trade Area Regulation*, *Strategic Commodities Control Act* and *Prohibition of Chemical Substances Act*. See www.customs.gov.sg for details.

Import and Export Control

In Singapore, specific controlled commodities are handled by the appropriate agencies, mainly as shown in the table below.

Table 6-5 Part of Singapore's import and export-controlled articles and competent authorities^①

Serial No.	Competent organization	Controlled article
1	Public Entertainment Licensing Unit	Imports: coin-operated or disk-operated game consoles, including pinball tables, shooting games and video projection games;
2	Agriculture, Food and Veterinary Bureau	Imports: animals, poultry and their products; fish and fishery products: food (excluding fresh or frozen vegetables and fruits); fruit (fresh or frozen); ginseng; meat and meat products of animals and poultry; veterinary medicine; milk powder and fresh, fat-free and pasteurized milk produced in Malay Peninsula, Sabah and Sarawak; organic fertilizer; plants, flowers and seeds with or without soil; rhino horn and its processed waste and powder; tableware and kitchen utensils (ceramics, crystalline glass); timber and lumber; vegetables (fresh, frozen)
		Exports: animals; fish and fishery products; ginseng. meat and meat products: rhino horn and its processed waste and powder: wood and timbers;
3	Arms and Explosives Licensing Unit	Imports: arms and explosives; lighter-air gun or revolver shape; fireworks; handcuffs; helmet (industrial safety steel); nitrocellulose; toy pistols, air guns, velvet revolvers
		Exports: arms and explosives; attack-proof clothing, including bullet-proof vests; handcuffs; helmet (industrial safety steel); toy pistols, air guns, velvet revolvers
4	Pollutants and Chemicals Licensing Unit	Imports: asbestos products; chemicals: toxic and hazardous chemicals, including toxic and precursor chemicals insecticides: Halon; anionic surfactant; waste lead-acid batteries and any waste lead, cadmium or mercury batteries

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

Continued

Serial No.	Competent organization	Controlled article
4	Pollutants and Chemicals Licensing Unit	Exports: chemicals, toxic and precursor chemicals pesticides; chloro-fluorocarbons; Halon; waste lead-acid batteries and any waste lead, cadmium or mercury batteries
5	Media Development Authority	Imports: pre-recorded cassette disk, cassette tape, audio CD; film, film/video/laser disc; record; publications; magnetic tape (pre-recorded)
6	Singapore Bureau of Custom	Imports: chewing gum (dental), chewing gum (medicinal); rough diamonds from Lebanon; recording and copying equipment in any medium (CD, CD-ROM, VCD, DVD, DVD-ROM); prohibited communication equipment (scanning receivers, military communications equipment, telephone voice changers, radio communication equipment with band of 880-915 MHz, 925-960 MHz, 1900-1980 MHz, 2110-2170 MHz band, excluding cell phones or other authorized devices and radio communication jamming devices); some goods imported or re-exported from the DPRK; part of the goods imported or re-exported from Iran
		Exports: rough diamonds; radioactive materials; military equipment and other military articles; precursor chemicals; radioactive material; textiles and garments produced in Singapore for export to the European Union or the United States; all types of arms and related items and spare parts exported to Afghanistan, Cote d'Ivoire, Democratic Republic of Congo, Iraq, Liberia, Rwanda, Sierra Leone, Somalia, Sudan; tanks, armored vehicles, large caliber guns, fighter jets, combat helicopters, warships, missiles or missile systems and equipment parts exported or re-exported to North Korea; any material, equipment and technology related to nuclear programs, ballistic missiles and other items listed by the United Nations
7	Cosmetics Licensing Unit	Imports: chewing gum (dental), chewing gum (medicinal); cosmetics and beauty products (other than medicated skin and facial lotions or creams regulated by the RSU); hair dye and hair care products
8	Support Unit for control	Imports: chewing gum (dental), chewing gum (medicinal); hair dye and hair care products; drugs, pharmaceuticals, pharmaceutical products
9	Civil defense forces	Imports: diesel oil or gasoline; flammable substances; oil
10	Police Force Licensing Office	Imports: fruit machine/slot machine
11	Occupational Safety and Health Administration	Imports: helmet (industrial safety steel); industrial safety items (safety belt, safety harness, life rope, safety rope, life net)
12	Biosecurity Authority	Imports: human pathogens;
13	Center for Radiological Protection	Imports and exports: radioactive materials; radioactive material
14	Central Narcotics Bureau	Imports: poppy seeds; precursor chemicals
		Exports: precursor chemicals
15	International Enterprise Singapore	Imports: rice (excluding rice bran);
		Exports: rice (excluding rice bran); rubber
16	Building and Construction Authority of Singapore	Imports: sand and granite (essential building materials);
17	Infocomm Development Authority	Imports: prohibited communication equipment (scanning receivers, military communications equipment, telephone voice changers, radio communication equipment with band of 880-915 MHz, 925-960 MHz, 1900-1980 MHz, 2110-2170 MHz band, excluding cell phones or other authorized devices and radio communication jamming devices); toy walkie-talkie

Inspection and Quarantine

Agri-Food and Veterinary Authority and the Health Science Authority are the main authorities responsible for inspection and quarantine of imports and exports in Singapore. The Agri-Food and Veterinary Authority is responsible for the inspection and quarantine of imported food, animals, and plants, while Health Science Authority for imported drugs, cosmetics and other commodities.

Import Tariff

According to Singapore's *Customs Act*, imported goods include taxable goods and non-taxable goods. Petroleum, liquor, tobacco, and motor vehicles are categorized as taxable goods, and the rest are non-taxable goods. Both taxable and non-taxable goods are subject to a 7% consumption tax on their import into Singapore, while taxable goods are also subject to commodity and customs taxes.

Table 6-6 Taxable goods and commodity tax in Singapore^①

Name of product	Commodity tax
Alcohol products	S\$60-113/ liter of alcohol
Tobacco products	S\$ 329-338 / kg
Petroleum products	S\$ 3.7 7.1/10 liters
Motor vehicles	20%
Motorecycle or bicycle with an engine	12%

6.6 Environmental Protection

Competent Authorities and Relevant Laws

In Singapore, various government departments work together to protect the environment. The Ministry of Environment and Water Resources, one of the most important department, is expected to manage water resources, public health, and pollution. Environmental legislations are attached with

^① Enquiries on import tax of goods and services: <https://www.customs.gov.sg/businesses/acts-and-subsiary-legislation/goods-and-services-tax>

great importance in Singapore, which include but are not limited to: *Environmental Protection and Management Act*, *Environmental Public Health Act*, *Hazardous Waste (Control of Export, Import and Transit) Act*, *Radiation Protection Act*, *Energy Conservation Act 2012*, *Transboundary Haze Pollution Act 2014*, *Environmental Protection and Management (Boundary Noise Limits for Factory Premises) Regulations*, *Environmental Public Health (Toxic Industrial Waste) Regulations*, *Environmental Protection and Management (Control of Noise at Construction Sites) Regulations*, *Environmental Protection and Management (Hazardous Substances) Regulations*, *Environmental Protection and Management (Trade Effluent) Regulations*, *Environmental Protection and Management (Air Impurities) Regulations* and *Resource Sustainability Act*.^①

Regulations on Environmental Assessment

Enterprise undertaking investment projects in Singapore shall entrust a qualified third-party consulting company to conduct pollution control study (PCS) on the three wastes, noise and hazardous chemicals produced by the factory, to identify the possible risks and control measures to be taken.

In the early stage of pollution control study, the owner shall provide the relevant materials to the consulting company; The completed analysis report shall be submitted by the owner to the National Environment Agency (NEA) for approval. During the approval cycle of about 2-3 months, the NEA may raise questions for explanation and clarification. The assessment fee is usually S\$20,000.^②



Investment Practice:

ALBA has Become a Model for Building an Environmentally Friendly Enterprise

In 2019, “Resource Sustainability Act” is passed in Singapore, in which the key element is

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

^② See ^①

the introduction of the “Extended Producer Responsibility Scheme” (EPR) by 2021.^① In February 2021, the National Environment Agency of Singapore (NEA) has awarded ALBA Group Plc & Co. KG (ALBA), a German environmental company, a license of Producer Responsibility Scheme (PRS) in Singapore, authorizing ALBA to undertake e-waste recycling work in Singapore. ALBA is allowed to collect controlled electronic and electrical waste (e-waste) across Singapore for appropriate treatment and recycling for a period of five years (from July 1, 2021 to June 30, 2026). Under the PRS license, various e-waste collection channels will be set by ALBA to facilitate the recycling of e-waste by the public and businesses. Collection methods include the installation of e-waste collection points in public places, regular collection activities and special on-site collection services. All e-waste collected by ALBA will be sent to licensed e-waste recyclers, and a comprehensive data management system will be established to track and report the amount of e-waste collected and disposed to the National Energy Administration in a timely manner.^②

Comment: as a world-renowned “garden country”, Singapore attaches great importance to environmental protection, with strong implementation of environmental protection policies and relatively perfect relevant laws and regulations. The government of Singapore supports the development of eco-friendly enterprises and puts forward corresponding plans to cooperate with enterprises to jointly build an environmentally sustainable society. Moreover, different protection strategies and plans for different environmental problems has been put forward by Environmental Protection Agency of Singapore, which stipulates that Investors who cause environmental pollution in Singapore will face corresponding penalties. Therefore, the enterprises to invest in Singapore should timely pay attention to the relevant government regulations and strive to

① Bea, Eric and Low, Melissa. Extended Producer Responsibility in Singapore’s Resource Sustainability Act. NUS Asia-Pacific Centre for Environmental Law Working Paper 19/04. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3474816

② Ministry of the Environment of Singapore <https://www.nea.gov.sg/media/news/news/index/nea-appoints-alba-group-plc-co.kg-as-the-e-waste-producer-responsibility-scheme-operator>

develop sustainable development plans under the support of government policies, to become eco-friendly enterprises.



Investment Practice:

Singapore Issued an Arrest Warrant for the Director of an Indonesian Company over Cross-border Smog Issues

As a world-renowned “garden country”, Singapore attaches great importance to environmental protection, yet it is still plagued by smog. According to a report by *Lianhe Zaobao*, the *Cross-border Smog Pollution Act* passed in 2014 mainly stipulates that, the penalties for foreign companies or individuals who burn tobacco illegally are linked to the duration of the smog. The longer the smog lasts, the heavier the fine will be. The government of Singapore can impose fines of up to S\$100,000 per day on foreign companies or individuals who burn plantain for at least 24 hours causing the country’s air pollution index to stay at severe levels. Hours beyond 24 hours will also be counted as a day. Offenders could be fined up to S\$200,000,000 and criminal penalty. Burners can be exempted from legal liability if they can prove that they tried to control forest fires but could not prevent the disaster.

In 2016, the director of an Indonesian company was summoned by Singapore’s Ministry of Environment and Water Resources for cross-border smog. The company director then entered Singapore but left the country without answering the call. To this end, an arrest warrant is issued by the court to the government to arrest the director in case of re-entry.

Comment: Although environmental protection requirements in Singapore is very strict, environmental pollution, especially air pollution, is greatly affected by neighboring countries due to its small land area. Despite what Indonesia sees as a violation of its national sovereignty, Singapore still enforces the law firmly, as smog is a common problem among ASEAN countries. Singapore hopes that ASEAN countries will share information and conduct investigations to form an effective smog control network. Foreign-funded enterprises, especially those involved in

agricultural development in Southeast Asia, should appreciate farming techniques, to control smog and avoid being “listed” in Singapore.

Punishment Measures

Any enterprise or individual that violates the *Environmental Protection and Management Act* and other laws and regulations shall be regarded as a criminal. Depending on the seriousness of the offence, the environmental protection authority has the right to impose a fine of between S\$ 20,000 and S\$ 100,000 on the person responsible, arrest the person responsible and impose a prison sentence of up to one year, or arrest the person responsible and file a lawsuit.

6.7 Anti-commercial Bribery

Competent Authorities and Relevant Laws

The main law enforcement agencies in Singapore are the Corruption Investigation Bureau and the Police Station, and also the Commercial and Business Bureau. *The Prevention of Corruption Act*, the main law against commercial bribery, sets out major corruption offences and their penalties, and is intended to curb corrupt practices as well as corrupt attempts. Certain provisions of the “Prevention of Corruption Act” also effective outside Singapore and apply to acts carried out outside Singapore where such acts involve business carried on in Singapore or individual’s resident in Singapore.

Punishment Measures^①

The *Prevention of Corruption Act* provides for a fine of not more than S\$ 100,000 or imprisonment of not more than 5 years, or both, for corrupt conduct. The offence involving the contract or intention to contract with the Government of Singapore, or a public body shall be punishable by a fine not exceeding S\$ 100,000 or imprisonment not exceeding 7 years, or both.

① “Anti-corruption Policies of Various Countries” “Finance and Accounting Monthly: Fortune Digest”, 2014.



Special Reminder:

Singapore has very strict restrictions on the acceptance of gifts by public officials, specifically relating to the types of acceptable gifts, maximum amount, time limit for reporting and handling methods. The acceptable entertainment for public officials is expressly stated. If you use an official car, you must specify which section is for official business. To save from a trouble, some people prefer to drive by themselves. Executives, in case of no clear distinction made between private and public, may entertain guests at their own expense to avoid the suspicion of misusing public funds.

In Singapore, not the minimum standard for criminal prosecution is set for bribery, both in material and immaterial. The acceptance or giving of S\$1 is considered as bribe-taking or bribery; Giving a packet of coffee powder worth S\$0.50 to a civil servant could lead to a prison sentence as bribery; Civil servants who accept the offer of a cup of coffee can also be charged with bribery and jailed. For example, in 2009, a man secretly gave S\$20 to the traffic police to avoid paying a traffic fine was reported by the police and jailed for 3 weeks.

Therefore, foreign-funded enterprises are suggested to strictly abide by Singapore's laws and regulations, and restrict gifts giving, so as not to be identified as bribery causing unnecessary impact on the enterprises themselves and relevant government officials.



Investment Practice:

Goldman Sachs Paid US\$1,220,000 to the Singapore Government

Abu Dhabi's International Petroleum Investment Company (IPIC) is a partner of 1MDB. In 2018, IPIC has accused Goldman of bribing IPIC's former managing director and subsidiary chief executives with more than half a billion dollars, and of colluding with 1MDB executives and their associates to embezzle about US\$4,500,000,000 from the fund in several countries around the world. More than half a dozen countries have opened anti-corruption and money-laundering probes into Goldman Sachs and 1MDB.

Singapore's Commercial Affairs Bureau issued a 36-month conditional warning against Goldman Sachs (Singapore) for three alleged bribery charges under the "Corruption Prevention Act". The Monetary Authority of Singapore appointed an independent external unit to auditing Goldman Sachs (Singapore) under the "Securities and Futures Act". Moreover, the Monetary Authority of Singapore has imposed a lifetime ban on Kevin Michael Swambilai, former head of wealth management services at Swiss Bank UBS Singapore in connection with the 1MDB scandal, from engaging in securities, futures activities and providing any financial advisory services in Singapore. In 2020, the Singapore Attorney-General's Office, the Singapore Police Force and the Monetary Authority of Singapore announced in a joint statement that Goldman Sachs will pay the Government of Singapore a US\$120,000,000 fine for bribery to 1MDB.

Comment: With the government's degree of integrity ranks among the best in the world, the government of Singapore has made strong efforts to fight corruption and commercial bribery and has high requirements for compliance operation. Investors in Singapore should strictly abide by the local laws and regulations on anti-corruption and commercial bribery and should not cross the legal red line. Some of the disputes involving commercial bribery may result in heavy penalties or even a possible shutdown.



Dispute Resolution

7.1 Judicial System

The judicial system of Singapore, mainly composed of the Supreme Court and the Local Courts, practices the third instance final trial system.

The Supreme Court is composed of the High Court and the Court of Appeal. The High Court has jurisdiction of the first instance and the appeal in civil and criminal cases and adopts the procedure of first instance to cases under its jurisdiction and appeals from the Local Courts. The Court of Appeal, the highest judicial tribunal in Singapore, has appellate jurisdiction over civil and criminal first instance cases heard by the High Court.

The Local Court, formerly known as the “Lower Court”, consists of the District Court, the Magistrate Court, as well as the Coroner’s Court and the Small Claims Court, of which the District Court and the Magistrate Court are entitled to hear both civil and criminal cases.

7.2 Dispute Resolution

Three main ways to resolve economic and trade disputes in Singapore: litigation, arbitration, and mediation.

Litigation

General civil litigation. Common civil proceedings in Singapore can be roughly divided into

five stages:

- (1) Pre-trial stage: service stage of summons, which may take no more than 8 days.
- (2) The stage of pleading and replying: the stage of the defendant's reply to the plaintiff's claim and factual assertion takes up to 28 days, of which 14 days are for the defendant's reply and 14 days for the plaintiff's reply.
- (3) Evidence discovery stage: the stage in which the parties disclose to the court or other litigants the evidential materials that they have or have possessed, kept or controlled, and the duration depends on the circumstances of the case.
- (4) Trial guidance: the process of the parties applying to the court for instructions on some matters, such as modifying the summons and litigation documents, requesting litigation details, requesting oath reply, etc., and the duration depends on the circumstances of the case.
- (5) Trial in court: registration for trial and scheduling for trial. Civil cases are usually settled in one day.

Transnational commercial disputes. To establish a cross-border international commercial court providing high-quality and efficient legal services for the parties involved in international commercial disputes to cope with the surging investment and trade disputes in Asia. International Commercial Court of Singapore (SICC), which is subordinate to the Supreme Court, is established in 2015 to deal with transnational commercial disputes. As of March 2021, SICC has a total of 41 judges, including 1 Chief Justice, 24 justices of the Singapore High Court, and 16 international justices, among whom the international justices can only hear cases from the International Commercial Court of Singapore and appeals originating from that Court.^①

Although the efficiency and integrity of Singapore's Judicial System has been widely praised internationally, in general, litigation mediation of disputes tends to be expensive and time-consuming, therefore the disputes are expected to be resolved by arbitration and mediation

^① International Commercial Court of Singapore <https://www.sicc.gov.sg/about-the-sicc/judges>

as far as possible.

Arbitration

Arbitration Institution. The main arbitration institutions in Singapore include the Singapore International Arbitration Center (SIAC), the International Chamber of Commerce (ICC) and the Singapore Court of Maritime Arbitration (SCIA), which only deals with maritime and maritime disputes.

Arbitration Provision. In Singapore, arbitration is legislated in a dual-track system to distinguish between domestic and international arbitration, mainly based on the “Arbitration Law” (applicable to domestic arbitration) and the “International Arbitration Law” (applicable to international arbitration) respectively. Any of the following conditions shall be satisfied to apply for international arbitration:

(1) At the time of signing the arbitration agreement, at least one of the parties has its place of business not in Singapore.

(2) The place of arbitration does not correspond with the country of business of the parties; Or the place of performance of the principal obligation in the commercial relationship or the closest connection of the matter in dispute does not correspond with the country of business of the parties.

(3) The parties expressly agree that the matters under the arbitration agreement are related to more than one country.

In judicial practice, bankruptcy, liquidation, citizenship, marriage, patents and other matters are easily recognized as non-arbitrable by arbitration institutions in Singapore.



Investment Practice:

The Place of Arbitration Should be Carefully Selected for Transnational Arbitration^①

Being incorporated in Macao, Sanum Investment Co., Ltd. (“Sanum Company”) engages in

^① Adapted from UNCITRAL Law Case 1852 http://www.uncitral.org/clout/clout/data/sgp/clout_case_1852_181119.html

the gaming business. Sanum entered a contract (the “Master Agreement”) with ST Group Ltd. (the “ST Group”), ST Vegas Ltd. (the “ST Vegas” and Mr. Sithat (the Laos party). According to master agreement, a slot machine game center in Laos shall be transferred by ST Vegas to Sanum. The agreement also contains a provision for multi-tiered dispute resolution, which states that disputes shall first be referred to the Dispute Resolution Center in Laos; If one party is not satisfied with the outcome, the parties “may submit the relevant dispute to an internationally recognized mediation/arbitration company located in Macao Special Administrative Region of China for mediation or make arbitration if necessary”.

Sanum subsequently entered another contract (the “Participation Agreement”) with St Vegas Enterprises Ltd. (“STV Enterprises”). The Participation Agreement also contains a provision for multi-tiered dispute resolution, which also stipulates that dispute shall be referred first to the Economic Dispute Resolution Organization or to a Lao court; However, if one of the parties is not satisfied with the outcome, the parties may submit the dispute to the Singapore International Arbitration Center (SIAIC) in Singapore for arbitration according to the rules of the SIAIC.

Dispute is arising between Sanum and ST Group, ST Vegas, STV Enterprises and Mr Sithat over the delay in the transfer of slot machine parlors. Following the submission of arbitration proceedings to the relevant Lao authorities and the failure of mediation, Sanum initiated arbitration against the Lao parties in Singapore under the rules of the Singapore International Arbitration Center. The Lao parties dissented from the arbitration and refused to attend. The Singapore Arbitral Tribunal held that the Master Agreement, the Participation Agreement and the three sub-agreements must be read together and awarded liquidated damages to Sanum. Sanum is permitted to enforce the arbitrament in Singapore. The High Court grants that the approved adjudication is appealed to the Court of Appeal.

The Court of Appeal agreed with the High Court’s opinion that the dispute concerned only a breach of the master agreement and that ST Group, ST Vegas and Mr Sithat (but not STV

Enterprises) are parties to the Master Agreement and shall be subject to the dispute resolution provisions contained therein. But Macau, not Singapore, is the correct place for arbitration, according to the provision on dispute settlement in the Master Agreement. Refusing to attend, the Lao parties still have objections to wrong choice of the place for arbitration and the establishment of the arbitration tribunal, and it may not be recognized by other jurisdictions.

Comment: The law applicable to arbitration depends on the place of arbitration. Place of arbitration shall be selected prudently even though both Macau and Singapore have enacted “Model Arbitration Laws, as each jurisdiction has adopted its “Model Arbitration Laws” in a different manner. Enterprises involved in transnational arbitration should choose the place of arbitration carefully as contracted. If the place of arbitration has been wrongly chosen, the resulting arbitration award shall not be recognized and enforced by other jurisdictions without the abandonment of the wrongful place of arbitration by the parties, since such award is not based on the arbitration agreement of the parties.

Mediation^①

Mediation Organization. *The Mediation Act* of 2017 specifies four mediation service providers, namely the National Court Dispute Resolution Center, the Singapore Mediation Center, the Singapore International Mediation Center, and the Singapore Financial Industry Dispute Resolution Center. In addition, dispute over electronic commerce can be mediated on-line court.

Mediation Proceedings. It mainly includes civil mediation and court mediation.

The civil mediation proceedings mainly include:

(1) The parties sign the mediation agreement, to accept the mediation procedures of the mediation center and promise to perform the mediation agreement.

① Research report on mediation system in Singapore: http://oldwww.ccpit.org/Contents/Channel_2632/2010/0316/241029/content_241029.htm

(2) The Mediation Center will designate a date for mediation meeting (usually within one week, or within 24 hours in emergency cases). Mediation meetings will be held at the location of the Mediation Center to ensure neutrality. Mediation will be conducted by the mediator appointed by the mediation center. Parties may challenge the appointment of a mediator, for example if there is a conflict of interest.

(3) Before the mediation meeting, the parties may submit written documents to state their position on the dispute and submit relevant evidence.

(4) In the mediation meeting, the mediator will lead the process, and the attorney of the parties will aid seek a solution.

(5) If the dispute is solved, the parties shall enter into a settlement agreement with the assistance of their attorney, which shall be signed by the representatives of both parties.

Court mediation takes place before the proceedings begin, and the procedure varies according to the type of case. Mediation is led by an experienced district court justice and, if necessary, assisted by a professional such as a foreign justice or an expert. Mediation meetings take place in courts and are part of civil proceedings.



Special Reminder:

On 7 August 2019, 67 countries attended the mediation meeting in Singapore, 46 of which signed the “United Nations Convention on International Mediation Agreements Arising from Mediation” (the “Singapore Mediation Agreement”); The agreement allows the party enforcing a settlement in an international commercial dispute to have direct recourse to the courts of the State Parties; The court will then have to enforce the settlement in accordance with the State Party’s rules of procedure and the conditions stipulated in the Convention, to give the settlement agreement based on mediation the same enforcement power as litigation documents and arbitration awards, and greatly enhance the cross-border enforceability of such settlement

agreements.^①

7.3 The International Commercial Dispute Prevention and Settlement Organization

Organization and Scope of Business

The International Commercial Dispute Prevention and Settlement Organization (hereinafter referred to as “ICDPASO”) is an international non-governmental and non-profit organization jointly initiated and established by China Council for the Promotion of International Trade (CCPIT) and China Chamber of International Commerce. In accordance with the concept of “Consultation, Contribution and Shared Benefits”, ICDPASO is composed of commercial institutions, trade associations, legal service providers as well as other entities in the field of international commerce around the world on the voluntary basis. On October 15, 2020, the Inauguration Ceremony of ICDPASO was successfully held in Beijing. At present, the secretariat of ICDPASO is officially operational.

ICDPASO is committed to providing the diversified services covering the international commercial dispute prevention and settlement, protecting the legitimate right of the parties, creating the business environment with high efficiency, fairness and justification, and facilitating the construction of a more justifiable and equitable international economic order. The headquarter of ICDPASO shall be located in Beijing, the People’s Republic of China.

The main organizational structures of ICDPASO include (1) the General Assembly of Members; (2) the Council; (3) Secretariat; (4) Advisory Committee; (5) the Committee of Supervision; (6) the business departments which include publicity and training, compliance construction, bankruptcy reorganization, proof of foreign law, commercial arbitration, commercial mediation, investment disputes and other departments etc..

^① Duan Ming, “The Singapore Convention on Mediation and the Legislative Choice of Commercial Mediation in China”, “Commercial Arbitration and Regulation”, 2021.

In accordance with the Charter approved by the First General Assembly, the Scope of business of ICDPASO include: To provide the service of international commercial dispute prevention and settlement subject to the relevant laws, including but not limited to the following activities: publicity and training, dialogue and consultation, construction of compliance of laws and regulations, pre-caution measures, promotion of the standard contract and multi-mechanism of dispute settlement including arbitration and mediation, ect.; To organize international conferences and seminars, to build up the platform for sharing and communicating the information and sources; To collect the opinions, suggestions and interest requests concerning the international commercial dispute prevention and settlement, and to participate in the international events relating to the deliberation, adoption and modification of international rules under the auspices of relevant international institutions or organizations; To make the publication of the statistical data and survey report concerning the international dispute prevention and settlement, to strengthen the capability of managing the information and analyzing the Big Data with respect to the international commercial cases; To cultivate legal talents with international vision, to promote the sharing of experiences and business cooperation among commercial organizations, dispute resolution institutes, academic institutions and think tanks around the world, and to jointly maintain a fair and stable international business transaction environment. ICDPASO is committed to resolving disputes in advance through dispute prevention on the one hand, and providing one-stop dispute resolution services for parties through diversified dispute resolution methods on the other.

Suggestions for Dispute Prevention and Settlement

(1) Any differences or controversies arising out of or in connection with in a commercial contract shall be eliminated by the dispute prevention services provided by the International Commercial Dispute Prevention and Settlement Organization (“ICDPASO”), including amicable consultation, early intervention, conflict avoidance panels and early neutral evaluation.

(2) All disputes arising out of or in connection with the contract, shall be referred to mediation administered by the International Commercial Dispute Prevention and Settlement Organization (“ICDPASO”) in accordance with the Mediation Rules of ICDPASO in force at the time of filling application.

Any settlement reached in the course of the mediation shall be made a settlement agreement on agreed terms, all parties shall earnestly implement and comply with the award.

In case of failure of the mediation process, the disputes shall be referred to arbitration administered by ICDPASO in accordance with the Arbitration Rules of ICDPASO in force at the time of filling application. The arbitral award is final and binding upon all parties.

(3) All disputes arising out of or in connection with the contract, shall be referred to and finally resolved by arbitration administered by the International Commercial Dispute Prevention and Settlement Organization (“ICDPASO”) in accordance with the Arbitration Rules of ICDPASO in force at the time of filling application.



Free Trade Agreements

As an economy with a high dependence on foreign trade and benefiting from trade liberalization, Singapore has actively signed bilateral and multilateral trade and investment agreements with other economies to enhance its business environment and competitiveness, strengthen its position as a trade hub and investment destination, and assist local enterprises develop overseas business.

8.1 Bilateral Free Trade Agreements

Singapore and New Zealand signed their first Bilateral Free Trade Agreement in 2001. Currently, Singapore has signed 15 bilateral free trade agreements with single trading partner.^①

8.2 Multilateral Free Trade Agreements

Singapore has signed 13 regional free trade agreements with multilateral trading partners, which account for 96% of its total trade.

Table 8-1 Free Trade Agreements signed by Singapore

Bilateral Free Trade Agreements	Multilateral Free Trade Agreements
China-Singapore Free Trade Agreement	ASEAN-Australia-New Zealand Free Trade Area Agreement
EU-Singapore Free Trade Agreement	ASEAN-China Free Trade Area Agreement

^① <https://www.enterprisesg.gov.sg/non-financial-assistance/for-singapore-companies/free-trade-agreements/ftas/singapore-ftas> singapore-ftas, EU-Singapore Free Trade Agreement

Continued

Bilateral Free Trade Agreements	Multilateral Free Trade Agreements
India-Singapore Comprehensive Economic Cooperation Agreement	ASEAN-Hong Kong, China Free Trade Agreement
Japan-Singapore Economic Partnership Agreement	ASEAN-India Free Trade Area Agreement
Korea-Singapore Free Trade Agreement	ASEAN-Japan Comprehensive Economic Partnership
New Zealand-Singapore Comprehensive Economic Partnership Agreement	ASEAN-Korea Free Trade Area Agreement
Panama-Singapore Free Trade Agreement	ASEAN Free Trade Area Agreement
Peru-Singapore Free Trade Agreement	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
Singapore-Australia Free Trade Agreement	Eurasian Economic Union (EEU)-Singapore Free Trade Agreement
Singapore-Costa Rica Free Trade Agreement	Singapore-Gulf Cooperation Council Free Trade Agreement
Singapore-Jordan Free Trade Agreement	Trans-Pacific Strategic Economic Partnership
Sri Lanka-Singapore Free Trade Agreement	Regional Comprehensive Economic Partnership
Turkey-Singapore Free Trade Agreement	-
UK-Singapore Free Trade Agreement	
US-Singapore Free Trade Agreement	

8.3 Regional Comprehensive Economic Partnership (RCEP)

Among the multilateral and bilateral free trade agreements signed by Singapore, the “Regional Comprehensive Economic Partnership” (RCEP) is one of the most important agreements.

Overview of RCEP^①

On November 15, 2020, the 10 ASEAN countries and China, Japan, the Republic of Korea, Australia, and New Zealand signed the “Regional Comprehensive Economic Partnership” (RCEP). The agreement is the most important outcome of the integration of East-Asian economy in the past 20 years, which marks the official launch of the world’s largest free trade area with the largest population, the largest economic scale, and the greatest development potential. At present,

^① Interpretation of the “Regional Comprehensive Economic Partnership” (RCEP) by the Head of the International Department of the Ministry of Commerce of China <http://www.mofcom.gov.cn/article/i/jyjl/j/202011/20201103016301.shtml>

the 15 RCEP member countries, total GDP and total exports account for about 30% of the world's total.

The RCEP Agreement consists of a preamble, 20 chapters (including: initial definition and general terms, trade in goods, rules of origin, customs procedures and trade facilitation, health and plant health measures, standards, technical regulations and conformity assessment procedures, trade remedy, trade in services, temporary movement of natural person, investment, intellectual property rights , e-commerce, competition, small and medium-sized enterprises, economic and technical cooperation, government procurement, general terms and conditions and exceptions, institutional terms, dispute settlement, final terms) and 4 annexes to the Market Access Commitment Schedule (including: schedule of tariff commitment, service specific commitment form, investment reservation and non-conforming measures commitment form, specific commitment form of temporary movement of natural person).

The RCEP combines a high quality with inclusiveness. More than 90% of goods in trade will eventually be tariff-free, and the openness of service trade and investment are significantly improved. In addition, the RCEP, by depending on the different national conditions, gives special and differential treatment to the least developed countries, which will promote inclusive and balanced development in the region, enable all parties to fully share the benefits of the RCEP, and significantly enhance the level of regional economic integration of East Asia.

The RCEP is expected to promote the integration of regional industrial chains, supply chains and value chains and accelerate regional economic growth. The economic structure of RCEP members is highly complementary, with a complete range of capital, technology, and labor elements within the Region. The RCEP will relax restrictions on market access for goods, services and investment among member states, gradually unify rules of origin, customs procedures, inspection and quarantine, and technical standards, significantly improve the overall business environment within the region, significantly reduce institutional costs for enterprises,

strengthen division of production and cooperation among members, promote the free flow of economic factors within the region, further increase the trade creation generated by FTA agreements, and boost the expansion and upgrading of consumer markets in the region. A world-renowned think tank estimates that by 2025, the RCEP is expected to boost the export, outbound investment stock and GDP of member states by 10.4%, 2.6% and 1.8% respectively over the baseline.

Singapore's Commitment to RCEP

SCHEDULE OF TARIFF COMMITMENTS. The base rates listed in this Schedule of Singapore is based on Singapore's MFN applied tariff rates effective 1 January 2014. Singapore shall eliminate the customs duties on all originating goods under this Agreement, as from the date of entry into force of this Agreement.^①

The first year of tariff concessions in Singapore refers to the period from the date of entry into force of the Customs Commitment Agreement to the following 31 December; Each subsequent year means a 12-month period beginning on 1 January of that year. Singapore shall, as of the date of entry into force of RCEP, eliminate the duties imposed on all goods of origin under this Agreement.

SCHEDULE OF SPECIFIC COMMITMENTS FOR SERVICES. *The Schedule of Reservations and Non-conforming Measures for Service and Investment of Singapore* adopts the "positive list" to make commitments to trade in services, setting out specific commitments concerning national treatment, most-favored-nation treatment, prohibition of performance requirements, senior management, and board appointments According to Singapore's Ministry of Trade and Industry 65% of the service sector will be fully opened, and service providers will be able to provide or enjoy services if they are licensed or authorized by the relevant regulator. Permissions or authorizations need to be evaluated by regulators at discretion on a case-by-case basis.

^① <https://rcepsec.org/wp-content/uploads/2020/11/Singapore-Headnotes.pdf>, Schedule of Tariff Commitment of Singapore

Services Licensing/authorization and Regulatory Agencies in Singapore:

(1) Only public accountants, accounting firms, accounting corporations, or accounting limited liability partnership (LLPs) are allowed to provide public accounting services. Accountants must be registered with the Accounting and Corporate Regulatory Authority (ACRA) and meet the registration requirements set out in the “Accountants Act”, which includes qualifications, experience, and membership of the Institute of Singapore Chartered Accountants (ISCA).

(2) All persons seeking to provide land survey services in Singapore must register with the Land Surveyors Board (LSB) or its subsidiary and reside in Singapore for the duration of the supervision or certification of a land survey project.

(3) Only service providers registered with the Intellectual Property Office of Singapore (IPOS) or one of its affiliates and residing locally are allowed to engage in business, operate or represent patents in Singapore.

(4) Only service providers with a local presence are allowed to set up employment agencies and place foreign workers in Singapore.

(5) Only companies registered with or licensed by the Professional Engineers Board (PEB) are allowed to provide professional engineering services in Singapore’s prescribed engineering sectors (civil, electrical, and mechanical engineering).

(6) Only the Sentosa Development Corporation or its affiliates are allowed to develop and manage the Sentosa Resort Island (Sentosa) and its waterways; Only entity with permission from the Singapore Land Authority and National Parks Board or one of its affiliates are allowed to develop and manage Singapore’s southern island.

(7) Under the Private Security Industry Act, Singapore reserves or maintains the right to provide unarmed guard services, private investigation services and security services.

(8) Only the higher education institutions designated by the Parliamentary Courts, or the

Ministry of Education are allowed to conduct undergraduate or postgraduate training programs in Singapore.

(9) Only local Singaporeans are permitted to provide medical services, pharmacy services, childbirth and related services, nursing services, complementary medical services, allied health services, and optometry services.

(10) Only local service providers are allowed to apply for import and export licenses, certificates of origin or other trade documents from relevant authorities.

(11) The Infocomm Media Development Authority of Singapore (IMDA) grants a limited number of licenses (for example, the availability of radio spectrum). Parties involved in wireless technology deployment networks can obtain licenses to use radio frequency spectrum through bids or auctions.

(12) Power producers cannot sell electricity directly to consumers before being licensed by the Energy Market Authority (EMA); Cumulative supply of electricity to Singapore's wholesale electricity market by power producers located outside Singapore shall not exceed 600 megawatts.

(13) Only companies licensed to market support services in Singapore are allowed to supply power to all household consumers and non-household consumers with an average monthly consumption of less than 2,000 kilowatts; Only companies with retail power licenses for local operations are permitted to supply power in Singapore.

(14) Holders of transmission licenses are the owners and operators of Singapore's power transmission and distribution network.

(15) Only Singaporean citizens or permanent residents are allowed to apply for food or beverage catering license; Foreign service providers must be incorporated in Singapore limited company, to apply for food business license; Only Singaporean citizens or permanent residents are allowed to individually apply for a permit to operate a stall in a government-run market or hawker center.

(16) Foreign service providers must be registered in Singapore to become public waste collectors (PWC) for residential and commercial buildings through open competitive tendering; The number of public waste collectors (PWC) is limited by the number of departments in each region of Singapore; The industrial and commercial waste collection market is open to the holders of general waste collector's (GWC) licenses.

(17) Only companies with local licenses for distribution and sale of hazardous substances are permitted to sell hazardous substances and see the "Environmental Protection and Management Act" and the "Regulations on Environmental Protection and Management (Hazardous Substances)" for the detailed list of hazardous substances.

(18) Singapore reserves or maintains the right to impose duties, restricts the manufacture of goods or penalizes breaches of the "Control of Manufacture Act"; Under the "Control of Manufacture Act", Singapore restricts the manufacture of special goods and adds a list of goods that restricts the manufacture of beer and black beer, cigars, drawn steel products, chewing gum, bubble gum, dental chewing gum or other dental products not specified in the "Health Products Act", cigarettes, matches.

(19) Only local service providers are allowed to wholesale, retail, and distribute medical and health-related products under the "Medicines Act" and the "Health Products Act"; Singapore reserves the right to amend health-related definitions and products in the "Medicines Act" and the "Health Products Act".

(20) Only the holder of a gas transport license is allowed to transport and distribute gas.

(21) Singapore residents are prohibited from renting private cars or transporting goods across the border.

(22) Cargo handling services can only be provided by PSA Corporation Ltd and Jurong Port Pte Ltd or their affiliates. Only PSA Marine (Pte) Ltd or its affiliates are allowed to provide pilotage services and desalinated water for vessels berthing in the port of Singapore or Singapore

territorial waters.

(23) Only Singaporean citizens or legal persons of more than 50% of the shares held by Singaporean citizens are allowed to operate and manage cruise terminal.

(24) Only Singaporean citizens, permanent residents, or Singaporean corporation (locally incorporated companies) are allowed to register a ship locally, where the Singaporean corporation shall appoint a ship manager residing in Singapore. If a Singapore corporation (a locally registered company) is not controlled by a Singapore citizen or Singapore permanent resident, the vessel or ship owned by the company must have at least 1,600 gross tonnages to be registered in Singapore.

(25) Only Singaporean citizens and permanent residents are allowed to be registered as Singaporean seafarers under the “Maritime and Ports Authority of Singapore Act”.

(26) A telecommunications service provider must be a company or foreign company incorporated under the *Company Act* (Cap. 50, 2006 Revision) .

(27) The National Park Service and its affiliates are the only agencies established under the *National Park Service Act*, which are authorized to control and manage parks, national parks, and nature reserves.

(28) Only those registered with the Board of Architects (BOA) or its affiliates and resident in Singapore are allowed to provide architectural services.^①

Rights Reserved or Maintained by Singapore:

(1) Singapore reserves or maintains the right to provide relevant services for the movement of natural persons, including immigration, entry, or temporary residence.

(2) Singapore reserves or maintains the right to develop or use land, including land zoning, land use, urban planning policies, development controls, environmental protection, and the division of nature reserves and national parks.

① <https://rcepsec.org/wp-content/uploads/2020/11/Singapore-Schedule-of-Reservations-and-Non-Conforming-Measures-for-Services-and-Investment.pdf>, Schedule for Reservations and Non-conforming Measures for Service and Investment

(3) Singapore retains or maintains the right to provide measures for government-owned or controlled medical institutions (such as hospitals and polyclinics) including investment in such institutions.

(4) Singapore reserves or maintains the right to take measures affecting social services, social security, public training, public law enforcement, ambulance services, corrective services, and fire services.

(5) Singapore reserves or maintains the right of disposing property owned by the State, including transfer and divestment.

(6) Rights reserved or maintained by Singapore: Devolve all or part of the services provided by government to the private sector; Sell the equities or assets of a company wholly owned by the Government of Singapore; Sell the equities or assets partially owned by the Government of Singapore.

(7) Singapore reserves or maintains the right of disposing real estate, including selling, purchasing, developing, and managing the ownership of real estate. Real estate consulting services, real estate agency services, real estate auction services, real estate appraisal services and leasing or leasing of non-residential property are excluded.

(8) Singapore reserves or maintains the rights relating to the collection or management of proprietary information by national electronic systems.

(9) Singapore reserves or maintains the right to control arms and explosives.

(10) Singapore reserves or maintains the rights to control broadcast services received by domestic audiences or originating from Singapore and the associated distribution of spectrum, including free broadcast, cable and pay television, and direct broadcasting via satellite and teletext. Activities not applicable to the transmission of broadcast services to end consumers: the production of films, videotapes, and sound recordings, as well as the distribution and public display of audio-visual services and materials not relating to broadcasting.

(11) Singapore reserves or maintains the rights to regulate creative arts, cultural heritage, and other cultural industries, including entertainment services and other cultural services. The creative arts include performing arts (such as theater), dance and music, visual arts and crafts, literature, film, television, video, radio, online creativity, indigenous traditional practices and contemporary cultural expressions, digital interactive media and works of mixed art using new technologies. Cultural heritage includes nation, archaeology, history, literary, artistic, scientific, or movable or established heritage, such as museums, art galleries, libraries, archives and other heritage preservation institutions, collections preserved and exhibited, and intangible cultural heritage.

(12) Singapore reserves or maintains the right to approve educational and professional qualifications, such as admission, registration, and qualification of patent agents.

(13) Singapore reserves or maintains the right to provide armed escorts, armored vehicles, and armed guard services.

(14) Singapore reserves or maintains the right to manage gaming and gambling services.

(15) Singapore reserves or maintains the right to provide legal services.

(16) Singapore reserves or maintains the right to control the services provided by co-operatives and trade unions.

(17) Singapore reserves or maintains the controlling interest of the local government in Singapore Technologies Engineering or its subsidiaries, including the right to appoint and dismiss members of the board of directors, withdrawal, and dissolution rights, for the purpose of safeguarding the security interests of Singapore.

(18) Other relevant provisions.

SCHEDULE OF SPECIFIC COMMITMENTS FOR INVESTMENT. The *Schedule of Reservations and Non-conforming Measures for Service and Investment* of Singapore sets out the minimum restriction with respect to Singapore's national treatment, most-favored-nation treatment,

prohibition of performance requirements, senior management and board appointments.; The list sets out, pursuant to the *Reservations and Non-conforming Measures* and *Reservation and Non-Conforming Measures*, the reservation taken by Singapore with respect to measures that do not conform with some, or all obligations imposed by the *Article 8* and *Article 10* of RCEP..

(1) The combined shareholding of PSA Corporation or its subsidiaries by foreign shareholders does not exceed 49%; Foreign shareholder means any person who is not a Singaporean citizen, any company in which not more than 50% of the shares are held by Singaporean citizens or the government of Singapore, or any business not owned or controlled by the Government of Singapore.

(2) With the exception of the government of Singapore, all individual investors are subject to restriction (direct and indirect) on equity of the following companies or subsidiaries: Singapore Technologies Engineering owns no more than 15%, PSA Corporation owns no more than 5%, Singapore Airlines owns no more than 5%, Singapore Gas (Power Gas, SP PowerGrid, SP Power Assets, Singapore LNG Corporation) owns no more than 10%.

(3) *Registration of Business Names Act of 2014* stipulates, the registrant, director, or secretary of a company not resident in Singapore must appoint an authorized representative resident in Singapore; Eligible authorized representatives include Singapore citizens, Singapore permanent residents and pass holders.

(4) Other relevant provisions.

Financial annex. Apart from market openness and related rules, the *Schedule for Reservations and Non-conforming Measures for Service and Investment* of Singapore also contains an annex to financial services, which provides for restrictions on market access, restrictions on national treatment and other additional commitments in the financial sector, as well as cooperative arrangements for mutual recognition of professional qualifications.

(1) Foreigners will be allowed to buy a maximum 49% equity in a local insurer, provided the

acquisition does not result in foreigners becoming the largest shareholder. An insurance company must set up branches or subsidiaries.

(2) Compulsory insurance for third party liability of motor vehicles and workers' compensation can only be purchased from an insurance company holding a Singapore business license.

SCHEDULE OF SPECIFIC COMMITMENTS ON TEMPORARY MOVEMENT OF NATURAL PERSONS. This Schedule sets out Singapore's commitments in relation to the temporary entry and temporary stay of natural persons of another Party. Entry for the intra-corporate transferees, who are employees of firms that provide services within Singapore through a branch, subsidiary, or affiliate established in Singapore and who have been in the prior employ of their firms outside Singapore for a period of not less than one year immediately preceding the date of their application for admission, is limited to a three-year period that may be extended for up to two additional years for a total term not exceeding five years.



COVID-19 Response Policy Measure

9.1 Economic Security Policies

In 2020, the government of Singapore has proposed four financial budget plans, to stabilize the economy under the epidemic.

Economic Stabilization and Support Package

First Budget released in February 2020-the S\$ 4 billion “Economic Stabilization and Support Package” includes:

(1) Jobs Credit. All companies in Singapore are provided with a cash grant of 8% of the monthly salary of the Singaporean employees they employ, with a maximum grant of S\$3,600 per person per month for a period of 3 months.

(2) Corporate income tax refund. A 25% tax refund, capped at S\$ 15,000, will be granted to almost all Singapore-incorporated companies in the 2020 assessable year, with a total value of about S\$ 400 million.

(3) Strengthening revolving loan scheme. Extend the Working Capital Loan Scheme (EFS-WCL) available to all SMEs for one year, and it will be effective in March 2020. The loan limit is increased to a maximum of S\$ 600,000 and the ratio of risk assumed by the government under the scheme is increased to 80%. ④ Assistance to industries severely affected by the

outbreak.

Tenacity and Unity Package

Announce the Second Supplementary Budget at the end of March 2020—a S\$48 billion of “Tenacity and Unity Package” which includes:

(1) About S\$15 billion will be allocated to boost the Employment Subsidies Scheme from 8% to 25% for Singaporean workers, and up to 75% for the aviation and tourism industries.

(2) Commercial real estate projects hit hard by the outbreak, including hotels, service apartments, tourist attractions, shops, and restaurants, will receive a 100% real estate tax rebate.

(3) Eligible tenants such as hawker centers will be allowed to pay rent-free for up to three months.

(4) The period for businesses and the self-employed to pay income tax will be postponed by three months.

(5) Upgrade the financing scheme to extend the bridging loan program to cover all sectors with the maximum loan amount of S\$5,000,000; The maximum loan amount of the SME Working Capital Loan Scheme is increased to S\$1,000,000, of which the Government’s risk share is increased to 80%; Under the Loan Insurance Scheme, the subsidy for loan insurance premiums to enterprises is increased from 50% to 80%.

(6) More funding will be provided to sectors affected by the epidemic, including aviation and tourism.

Solidarity Package

Announce the Third Supplementary Budget at the end of April 2020—a S\$51 billion of “Solidarity Package”, which includes:

(1) The ratio of the risk assumed by Singapore Government under the various loan schemes is increased to 90%.

(2) Owners are required to transfer the full amount of the estate tax rebate to tenants, while increasing the rent-free assistance available to industrial, office and agricultural tenants operating in government-managed real estate in Singapore to one month.

(3) Increase the salary subsidy under the previous Employment Subsidies Scheme from 25% to 75% for a period of one month.

(4) Labor tax for April-May is exempted and an additional labor tax rebate of S\$ 750 is provided for each WP and SP pass holder employed by an enterprise.

Perseverance and Forward Budget

Announce the Fourth Supplementary Budget at the end of May 2020-a S\$ 330 billion of “Perseverance and Forward Budget”, which includes:

(1) The employment subsidy scheme will be extended to August 2020. Enterprises that cannot resume work temporarily in June will receive 75% employment subsidy.

(2) A cash subsidy of S\$ 2,000,000,000 for small and medium enterprises. Starting from the end of June, commercial tenants will be able to pay rent free for two months; Industrial and office tenants can pay rent free for about one month; A new act is enacted to force owners to reduce rent for affected tenants.

(3) Tax for foreign workers in June is exempted and a rebate of S\$ 750 is provided; 50% of tax for foreign workers in July is exempted and a rebate of S\$ 375 is provided; An additional S\$320,000,000 is allocated in August to extend and increase the tax rebate granted to foreign workers in the construction, maritime and petrochemical industries. Meanwhile, businesses in these three sectors will continue to enjoy full or partial labor tax breaks until the end of the year.

9.2 Economy Revitalization Measures

In 2021, the Government of Singapore implements the “two-pronged” strategy of fiscal policy and monetary and macro-financial policy, to boost economic development.

Fiscal Policy

Singapore's Budget 2021, which takes effect in April 2021, clearly states that state financial support will shift from large-scale and comprehensive emergency relief to targeted support, including the S\$ 11,000,000,000 for COVID-19 package, which aims to extend the essential measures of the Stimulus Package in fiscal 2020. Mainly involve:

(1) Support the national security and re-activate the economy through public health measures such as testing, contact tracing and vaccination. As of February 14, 2021, nearly 250,000 people had inoculated the first dose of COVID-19 vaccine, with about 55,000 inoculating a second dose.

(2) Targeted support for the development of workers and enterprises. According to Deputy Prime Minister and Finance Minister Ong Swee Kit's Budget Statement on Feb 16, 2021, S\$ 2,400,000,000 will be allocated by government over the next three years to promote the development of Singapore companies and workers.

The government of Singapore launched the Job Support Scheme (JSS) in 2020, under which, the government has committed to appropriate S\$ 25,000,000,000 for supporting more than 150,000 employers for 17 months. The financial support arrangements of JSS in 2021 are as follows:

For companies in tier 1 industries (aviation, aerospace, tourism): 30% wage subsidy will be provided from April to June; 10% wage subsidy will be provided from July to September.

For companies in tier 2 industries (e.g., retail, arts and culture, food services, built environment): 10% wage subsidy will be provided from April to June.

Other companies: wage subsidy will be provided until March 2021 in accordance with the 2020 plan.^①

Besides, the government of Singapore has also launched the SGUnited Employment and Skills Package, under which, nearly 76,000 people had been placed in jobs, internships, practices,

^① The Government of Singapore <https://www.gov.sg>

and skills training by the end of 2020. The SGUnited Employment and Skills Package is expected to support the recruitment of 200,000 local people and provide up to 35,000 internships and training posts in 2021.

(3) Targeted support will be provided to the worst-hit sectors such as aviation, tourism, transport, and entertainment.

Aviation: S\$ 870,000,000 will be allocated to enhance key capabilities and reduce costs.

Land transport sector: a total of S\$ 133,000,000 will be allocated as the COVID-19 Driver Relief Fund, which mainly for subsidizing taxi and private car drivers. The monthly relief amount from January to March 2021 is S\$ 600; The monthly relief amount from April to June is S\$ 450.

Arts, culture, and sport sector: “Arts and Culture Recovery Package” and “Sport Recovery Package” will be extended in 2021 and financial assistance to businesses and self-employed people in this sector category will be provided.

Monetary and Macro-financial Policies

In January 2021, the Financial Regulatory Authority of Singapore announced that micro and small businesses severely affected by the COVID-19 outbreak could file for bankruptcy in simplified way to promote debt restructuring or facilitate orderly liquidation; At the same time, certain contracts, such as leases or license on commercial property, can be renegotiated in accordance with the re-calibrated framework.



Contact Information of Relevant Departments and Institutions

10.1 Contact Information of Government Departments and Relevant Institutions

Websites of all government departments, department settings, contact information of key staff, etc. are available in the official website of the Government of Singapore (www.sgdi.gov.sg).

Table 10-1 Contact information of some government departments and related institutions in Singapore

Ministries and commissions	Subordinate body	Tel	Website
Ministry of Trade and Industry	–	+65 6225 9911	www.mti.gov.sg
	Singapore Tourism Board	+65 6736 6622	www.stb.gov.sg
	Hotel Licensing Bureau	+65 6736 6622	www.hlb.gov.sg
	Energy Market Authority of Singapore (the EMA for short)	+65 6835 8000	www.ema.gov.sg
	Agency for Science, Technology and Research	+65 6826 6111	www.a-star.edu.sg
	JTC Corporation	+65 6560 0056	www.jtc.gov.sg
Ministry of Manpower	–	+65 6438 5122	www.mom.gov.sg
Ministry of the Environment and Water Resources	–	+65 6731 9000	www.mewr.gov.sg
Ministry of Law	–	+65 6225 5529	https://app.mlaw.gov.sg
	Intellectual Property Office	+65 6339 8616	www.ipos.gov.sg
	Singapore Land Authority	+65 6323 9829	www.sla.gov.sg
Singapore Ministry of Finance	–	1800-226-0806 (toll-free)	http://www.mof.gov.sg
	Accounting and Corporate Regulatory Authority	+65 6248 6028	www.acra.gov.sg

Continued

Ministries and commissions	Subordinate body	Tel	Website
Singapore Ministry of Finance	Inland Revenue Authority of Singapore	+65 6438 5122	www.iras.gov.sg
Ministry of Communications and Information	–	+65 6837 9655	www.mci.gov.sg
Ministry of Transport	–	+65 6270 7988	www.mot.gov.sg
	Maritime and Port Authority of Singapore	+65 6375 1600	www.mpa.gov.sg
	Land Transport Authority	+65 6225 5582	www.lta.gov.sg
	Civil Aviation Administration	+65 6542 1122	www.caas.gov.sg
	Public Transport Council	+65 6354 9020	www.ptc.gov.sg
Ministry of National Development	–	–	–
	Building and Construction Authority of Singapore	+65 6534 0219	www.bca.gov.sg
	Urban Redevelopment Authority	+65 6221 6666	www.ura.gov.sg
Ministry of Manpower	–	–	–
	CPF Board	+65 6227 1188	www.cpf.gov.sg
	Workforce Development Agency	+65 6883 5885	www.wsg.gov.sg
Advanced Skills Development Agency, Ministry of Education, Singapore	–	+65 6785 5785	www.skillsfuture.sg
Food Safety Bureau, Ministry of the Environment and Water Resources, Singapore	–	+65 6805 2871	www.sfa.gov.sg
Monetary Authority, Prime Minister's Office, Singapore	–	+65 6225 5577	www.mas.gov.sg
Infocomm Media Development Agency, Ministry of Communications and Information, Singapore	–	+65 6377 3800	www.imda.gov.sg

10.2 Contact Information of Business Association and Service Provider

Table 10-2 Contact information of some business associations and service providers in Singapore

Name	Tel	Website
SGX (Singapore Exchange Ltd)	+65 6535 7511 +86 10 6629 0660	https://www2.sgx.com
Singapore Business Federation	+65 6827 6828	https://www.sbf.org.sg/
Singapore Manufacture Federation	+65 6826 3000/3008	http://www.smfederation.org.sg

Continued

Name	Tel	Website
International SOS (Medical and Travel Safety Services)	+65 9895 0867	https://www.internationalsos.com
SBC BANK	+65 6559 8000	https://www.bankofsingapore.com
Development Bank of Singapore	+65 6878 8888	http://www.dbs.com
Oversea-Chinese Banking Corporation	+65 6535 7222	http://www.ocbc.com
United Overseas Bank	+65 6533 9898	https://www.uobgroup.com



Frequently Asked Questions

1. What are the categories of work visas in Singapore?

Work Pass for foreign workers in Singapore is mainly granted to professionals and skilled workers. The Work Passes for professionals include Employment Pass for specialists, managers and executives, Entre Pass for Entrepreneurs and Personalized Employment Pass for high-end professionals. The work Passes for skilled workers include S Pass for medium skilled workers and Work Permit for specific industries (construction, manufacturing, marine, craft or service industries, etc.), domestic care, monthly nanny (Malaysians only, up to 16 weeks), entertainment business, etc.

2. How to immigrate to Singapore?

Permanent Resident (PR). PR is granted to foreign nationals by the Immigration & Checkpoints Authority (ICA) to entitle them to reside for five years. PR holding Immigration Card is free to access to Singapore. The application materials include^①: (1) the original and copy of the personal information page of the valid passport; (2) EP or SP permit; (3) ID card; (4) Birth certificate or official household registration; (5) Renaming certificate (if any); (6) All certificates of education (including all higher education diplomas), transcripts, professional licenses/association membership certificates/professional qualifications; (7) Recommendation

^① Singapore Immigration & Checkpoints Authority: <https://www.ica.gov.sg/reside/PR/apply/> for the information necessary for applying permanent resident.

letters from previous employers, stating position, job scope, employment period and salary; (8) Pay slips for the last 6 months; (9) Tax bill for the past 3 years, or a signed form to authorize the Immigration Office to check the tax situation; (10) For self-employed persons, BIZFILE, main contracts and sales documents of the past 3 months are required. Additional documents are required if you are married or if your spouse and children apply together. See www.ica.gov.sg for details.

Singapore Citizen (SC). Applicants are required to : (1) be at least 21 years of age and have been a Singapore PR for at least 2 years (you can apply for SC for your spouse and children under 21 years of age); (2) Have been a Singapore PR for at least 2 years and have been married to a Singapore citizen for at least 2 years; (3) Under the age of 21, unmarried, adopted by a Singaporean citizen or a child born by marriage to a Singaporean citizen; (4) Students who have held PR for at least 1 year, studied and resided in Singapore for more than 3 years, passed at least one national examination/entered the IP program; (5) The parent of a Singaporean citizen who already holds PR. The application materials are different for adults, toddler, and elderly parents. For details, please refer to www.ica.gov.sg.

3. How to use Singpass?

Singpass is the trusted digital identity of every Singapore resident, for logging in and processing the platform of more than 340 government agencies and private sector services. Singapore citizens, as well as green-carder, EP holder, EntrePass holder, SP holder, DP holder and some WP Pass holders (minimum age 15), can apply Singpass at the central counter in their community or online (www.singpass.gov.sg). All operations after logging are done in person. The Singpass account number is generally the applicant's Singapore Identity Card Number (IC) or foreigner identification number (FIN). Singpass can be accessed on the following websites^①:

(1) Ministry of Manpower: apply for Work Permit, check the company's foreign labor quota,

① CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).

revise company or personal data, etc.

(2) Immigration and Checkpoint Authority: visa guarantee application, long-term visit permit application, student pass guarantee, PR update, etc.;

(3) Accounting and Company Administration: company registration, purchase of company files, revision of company documents, etc.;

(4) Inland Revenue Authority: tax declaration;

(5) CPF Board: declare CPF, check CPF, pay CPF, print CPF documents, etc.;

(6) Registry of Marriages: marriage registration and appointment;

(7) Housing Development Board: application, lottery, etc. for HDB;

(8) Other Government of Singapore websites ending in gov.sg.

4. How is Singapore's educational system ?^①

Attaching great importance to education, Singapore forces every child to receive more than 10 years of regular education (6 years in primary school and 4 years in secondary school). Singapore's education system places equal emphasis on literacy, numeracy, bilingualism, sports, ethics, innovation, and independent thinking ability. The bilingual policy requires students to learn their mother tongue as well as English. The Government has launched "IT Education" to promote computer literacy among students. Most of the schools are public, including 170 primary schools, 154 secondary schools, 14 junior colleges, and four universities: The National University of Singapore, Nanyang Technological University, University of Management and University of Science and Technology. Tuition fees at the National University of Singapore range from S\$ 7,650-S\$ 15,300 per year for general majors, from S\$ 11,000-S\$ 24,000 for law majors, and from S\$ 23,000-S\$ 46,000 for medical majors. Living expenses range from S\$ 500-S\$ 700 per month.

5. How is Singapore's medical and healthcare quality?

Singapore citizens enjoy favourable basic medical services. As of the end of 2019, there are

① CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).

19 general hospitals, 9 community hospitals, 1 mental hospital, 77 sanatoriums, 2 hospices, 20 polyclinics and other medical institutions) in Singapore, with 31,000 beds and 87,000 medical staff are provided. Singapore's medical security fund is paid by savings and funds, which mainly meets citizens' medical needs through government subsidies and compulsory savings accumulation. Its core content is the "3M" plan, which mainly includes^①:

Medisave. Every working person, including private owners, is required to deposit between 6% and 8% of their income into an individual health savings account set up at the CPF Board every month to cover hospitalization expenses for themselves and their immediate family members until retirement. The monthly contribution is split equally between the employer and the individual.

Medishield. Insured voluntarily by the individual, it is designed to help citizens pay medical expenses for serious or long-term chronic diseases. The premiums are deducted from personal health savings and the premiums are gradually increased with age. At present, the program covers more than 76.5 percent of the country's citizens.

Medifund. The fund, about S\$ 800,000,000, is allocated to public hospitals by the Government to assist poor people who do not have health savings or do not have enough savings to pay for medical care. More than 100,000 applicants apply each year, and more than 99% of them are approved.

6. What are Singapore's main public transportation?^②

Singapore's domestic public transport, consisting of subway, taxi, and transit/bus, is convenient and efficient.

Metro. Four main metro lines in Singapore: The East-West Line, or the Green Line, which connects to Changi Airport; the North-South Line, or the Red Metro Line; the Northeast Line, or

① Jinmei: "Singapore: Sick are Treated and Healthy are Protected", "Singapore Business News", March 9, 2007.

② CCPIT, Guide on the Business Environment of Foreign Countries for Investors- Singapore (2019).

the Purple Metro Line; Loop Line, or the Yellow Metro Line. Payment methods include single ticket, EZ-Link card, and pass card.

Taxi: There are mainly 6 taxi companies in Singapore: Comfort, City Cab, SMRT, Trans-Cab, Premier Taxis and Smart Cab. SMRT offers premium taxi services with higher rate. Grab or Gojek can be downloaded for asking for a taxi with service charge of S\$ 2.30 or S\$ 3.30 (rush hour).

Transit. Singapore's transit (locally called the bus) routes are quite complex, with station names often being landmark building near the station, with the main bus routes concentrated on SMRT and SBS Transit. EZ-Link cards (S\$ 18) are available at bus interchanges and metro stations to take bus and train.

7. How to buy a car in Singapore?^①

Only people with certificate of entitlement are allowed to purchase car. The certificate is available through public bidding and can be tendered twice a month. The tender for the certificate of entitlement in May 2019 shows that: S\$ 36,704 for small and medium sized cars with engines 1,600cc and below, S\$ 48,010 for large and luxury cars above 1,600cc, S\$ 28,559 for trucks and buses, S\$ 3,352 for tram and S\$ 52,502 for public transit.

8. What to do when the re-registration of a company name is rejected?

If the company name request is rejected by the Accounting and Enterprise Authority of Singapore, the company may submit another name or appeal against the rejection and make clarification. The letter of consent from a company with a similar name, if available, shall be submitted to the Accounting and Enterprise Authority of Singapore together with the letter of consent signed by the Board of Directors of the Company.

Letter of consent must be submitted in PDF format with the appeal attached. The appeal will

^① Ministry of Commerce of China, Guide on Cooperation with Foreign Countries for Investors-Singapore (2020).

be referred to the Accounting and Enterprise Authority of Singapore for consideration and the outcome will be available after three working days. If the appeal is rejected, the appeal fee will not be refunded.