

# U.S. Country Commercial Guides



2017

Singapore

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# Doing Business in Singapore

## Market Overview

Singapore is an important partner of the United States with a bilateral gold standard Free Trade Agreement (FTA) signed in 2003 and implemented January 1, 2004 - the first U.S. FTA signed in Asia. In 2016, Singapore was the United States' 13th largest export market and 19th largest trading partner. The U.S. exported more to Singapore (US\$26.87 billion) than to many other economies with significantly larger populations, including Taiwan, Australia, India, Italy, and Malaysia. In 2016, the U.S. ran its sixth largest goods trade surplus of US\$9.07 billion with Singapore.

Singapore's gross domestic product grew 2.0% in 2016 and the official growth forecast for 2017 is 1.0% to 3.0%. The United States was Singapore's third largest source of imports while China retained its top position followed by Malaysia, U.S., Taiwan, Japan, South Korea, Indonesia, Germany, France, and Saudi Arabia.

The World Bank ranked Singapore the second easiest place to do business in the world. Five reasons U.S. companies should consider exporting to Singapore are:

- Major distribution and logistics hub and gateway to the ASEAN region
- Lack of corruption
- Favorable tax codes
- Strong intellectual property protection
- English speaking population

## Market Challenges

Singapore is generally a free port as more than 99% of all imports enter Singapore duty-free. For social and/or environmental reasons, it levies high excise taxes on distilled spirits and wine, tobacco products, motor vehicles, and gasoline.

U.S. companies face technical import barriers for beef, pork and poultry products, and service barriers include restrictions on satellite dishes, foreign newspapers, pay television, legal services, banking, and healthcare procedural transparency.

Details on the barriers can be found in the [USTR 2017 National Trade Estimate Report on Foreign Trade Barriers](#) available online.

Competing with global suppliers remains a key challenge for American companies. With the ongoing restructuring of Singapore's economy, U.S. companies doing business in the country can expect increased operating costs and continued tightening availability of foreign labor. The next 50 years will present new challenges to Singapore in the form of a greying workforce, maturing economy, growing influence of social media, and increasing competition from other trade agreements and ASEAN partners. To counter the challenges, the [Singapore Government's](#)

Committee on the Future Economy has identified strategies to meet the challenges and the full report can be found online.

## **Market Opportunities**

U.S. exporters will find a promising market for the following industry sectors in Singapore: semiconductors, oil and gas, aircraft and parts, medical devices, telecommunication equipment, computer hardware, software and peripherals, environmental control equipment, industrial automation, laboratory and scientific equipment, and education.

The following are major infrastructure projects, significant government procurements and business opportunities in Singapore:

- US\$500 million second Liquid National Gas (LNG) terminal is being finalized;
- US\$150 million Very Large Floating Structure (VLFS) tender for petrochemical storage is postponed to 2018 due to the downturn in the oil and gas sector;
- US\$580 million blueprint to grow the clean energy industry in Singapore;
- Major redevelopment of Singapore's oldest and largest hospital is set to take place from 2025 to 2035;
- Over the medium term, five new public hospitals and up to twelve more polyclinics will be built by 2030 and there are plans to build new and replacement nursing homes to bring the total to 25 by 2020;
- A new 300-bed hospital for infectious disease will be built and is expected to be ready by 2018 while a new US\$135 million National Heart Center building is currently being built at the Singapore General Hospital and scheduled for completion in 2020;
- Other infrastructure projects include the Woodlands General Hospital and the existing Tan Tock Seng Hospital. These are scheduled to progressively come on stream between 2020 and 2036;
- Construction of Singapore Changi Airport Terminal 4 and Terminal 5 and a third runway;
- US\$2.6 billion Phase 3 and 4 port expansion at Pasir Panjang Terminal;
- Advanced water technology and infrastructure in areas such as filtering and purifying machinery and apparatus, technologies involving wastewater recycling and treatment, and desalination technologies;
- Singapore Government ICT tenders of more than US\$1.9 billion;
- Smart Nation Initiatives.

## **Market Entry Strategy**

Many U.S. exporters successfully use agents or distributors to serve the Singapore and other Southeast Asia markets while over 4,200 U.S. firms have set up operations in the country. Singapore firms are aggressive when it comes to representing new products and usually respond enthusiastically to new opportunities.

Price, quality, and service are the three main factors for Singapore buyers. U.S. exporters should be aware that competition is strong and buyers expect good after-sales service. Selling techniques vary according to the industry and product and are comparable to the techniques used in most other sophisticated markets. It is also important for U.S. firms to visit their representatives in Singapore and maintain close contact with them.



## **Political Environment**

More information about Singapore is available on the Singapore Country Page and from other Department of State publications and other sources listed at the end of this fact sheet.

### **U.S.-Singapore Relations**

The United States recognized Singapore's independence from Malaysia in 1965 and has had formal diplomatic relations with the country since 1966. The August 2016 State Visit by Prime Minister Lee Hsien Loong to Washington, D.C. highlighted 50 years of strong bilateral relations and acknowledged our shared interest in continued cooperation across economic, political, security, and people-to-people sectors.

The U.S.-Singapore economic relationship is founded on our bilateral Free Trade Agreement (FTA) – signed in 2003 and implemented beginning January 1, 2004. Despite Singapore's small size and a population of only 5.5 million people, in 2016 Singapore ranked as the United States' 19th largest trading partner and 13th largest export market. There are more than 30,000 Americans living in Singapore. Approximately 4,200 U.S. companies operate in the country, many of which use Singapore as their regional headquarters. Many Singaporeans also visit and study in the United States. Each year, the U.S. Government sponsors visitors under the International Visitor Program, provides Fulbright scholarships to enable selected American and Singaporean academics and students to teach or conduct research, and sponsors programs to introduce American policies, values, and culture to Singaporean audiences.

Our engagement with Singapore also includes collaboration on a regional and global scale. Singapore's support for regional cooperation compliments U.S. policy, forming a strong basis for strategic cooperation between the two countries. In 2012, the United States and Singapore held the first annual Strategic Partnership Dialogue, which introduced new mechanisms, including the Third Country Training Program (TCTP), a joint technical assistance program that draws on expertise to help ASEAN nations build capacity across sectors such as cyber, trade, labor, environment, and intellectual property. Over the past five years, the U.S. Department of State and Singapore's Ministry of Foreign Affairs have held 30 TCTP workshops that trained over 1,000 ASEAN government officials.

### **U.S. Assistance to Singapore**

The Export Control and Related Border Security (EXBS) Program has partnered with Singapore since 2003 to help develop Singapore's capacity to regulate the trade and transfer of dual-use goods, equipment, and technologies that can be diverted to illicit weapons programs, and to help establish related border enforcement measures. EXBS assistance for Singapore in 2016 totaled US\$250,000.

## **Bilateral Economic Relations**

The U.S.-Singapore Free Trade Agreement entered into force January 1, 2004. Since then, bilateral goods trade has increased over 40%, reaching US\$44.7 billion in 2016. The United States is Singapore's largest foreign investor, with U.S. investments reaching US\$243.7 billion in 2015. Singapore is a Visa Waiver Program country, which allows its citizens to travel visa-free to the United States for certain business or tourism purposes for stays of 90 days or less.

## **Singapore's Membership in International Organizations**

Singapore and the United States belong to a number of the same international organizations, including the United Nations, Asia-Pacific Economic Cooperation (APEC) forum, Association of Southeast Asian Nations (ASEAN) Regional Forum, International Monetary Fund, World Bank, and World Trade Organization.

## **Bilateral Representation**

The Chargé d'Affaires, ad interim is Stephanie Syptak-Ramnath; other principal embassy officials are listed in the Department's Key Officers List.

Singapore maintains an embassy in the United States at 3501 International Place NW, Washington, DC 20008 (tel. +1 (202) 537-3100).

More information about Singapore is available from the Department of State and other sources, some of which are listed here:

[Department of State Singapore Country Page](#)

[Department of State Key Officers List](#)

[CIA World Factbook Singapore Page](#)

[U.S. Embassy](#)

[U.S.-Asia Pacific Comprehensive Energy Partnership](#)

[History of U.S. Relations With Singapore](#)

[Human Rights Reports](#)

[International Religious Freedom Reports](#)

[Trafficking in Persons Reports](#)

[Narcotics Control Reports](#)

[Investment Climate Statements](#)

[Office of the U.S. Trade Representative Countries Page](#)

[U.S. Census Bureau Foreign Trade Statistics](#)

[Export.gov International Offices Page](#)

[Library of Congress Country Studies](#)

[Travel Information](#)

## **Selling U.S. Products and Services**

### **Using an Agent to Sell U.S. Products and Services**

Many American exporters use agents or distributors to serve the Singapore market and other markets in Southeast Asia. Finding prospective partners usually presents no problem as Singapore firms are aggressive when it comes to representing new products and typically respond enthusiastically to new opportunities. Most American companies that use the U.S. Commercial Service (CS) Singapore matchmaking and promotion services in Singapore find several interested agents or distributors. Because of the relatively small size of the Singapore market, potential partners often ask to cover regional territories. With a strong history of trade, Singaporean companies are particularly successful in taking products to the region. CS Singapore offers a wide range of programs and has an excellent record of success in introducing U.S. firms to the market. A list of services offered by CS Singapore can be obtained from our website.

### **Establishing an Office**

American firms wishing to establish a presence in Singapore have several straightforward options to do so. They can establish a Representative Office (RO), register as a Branch of the parent, or incorporate as a Singapore company. General information on establishing an office can be found online.

If an American company wishes to carry on operations in Singapore, it should register a branch office or incorporate a local company with the Accounting and Corporate Regulatory Authority (ACRA). ACRA publishes an excellent guide that takes the first time registrant through the process of establishing a branch office or incorporating in Singapore.

### **Representative Office**

Setting up a Representative Office in Singapore can be a good way for American firms to explore business opportunities in Singapore or the region. ROs in banking and insurance need to register with the Monetary Authority of Singapore (MAS) and meet the guidelines or requirements laid out by the MAS. ROs in all other industries need to register with International Enterprise (IE) Singapore.

ROs can only carry out market research, conduct feasibility studies or work as a liaison on behalf of the parent company. ROs may not conduct business directly or on behalf of the parent company. ROs cannot ship, transship, or store goods in Singapore. American firms can either work through an agent or distributor to do so or establish their own commercial presence.

### **Branch Office**

For Branch Offices, the Companies Act requires a foreign company to appoint two local agents in Singapore to act on behalf of the company. The agents must be ordinarily resident in Singapore i.e. a Singaporean Citizen, a Singapore Permanent Resident, or a person who has been issued an EntrePass/Approval-In-Principle letter/Dependent Pass.

### **Establishing a Singapore Business**

American firms can also register a sole-proprietorship, partnership, limited liability partnership, or incorporate a company in Singapore. For a sole proprietorship the process takes about one day, while more complex business entities can take up to six weeks and require lawyers and accountants to assist with incorporation documents. A point to bear in mind is that registration/incorporation of a company does not automatically mean that expatriate staff can be assigned to Singapore. Foreign staff must obtain employment passes from the Singapore Ministry of Manpower.

## **Franchising**

Singapore is home to a wide variety of franchise concepts. Foreign franchises are well received and the United States is by far the largest supplier of foreign franchises in the country. There are American franchises in practically every industry. McDonald's, Burger King, KFC, Wing Zone, Krispy Kreme, Subway, Starbucks, Ben and Jerry's, Gymboree, New Horizons, Mister Minit, Avis, Toys R Us, Comfort Keepers, Contours Express, and many others have operations in Singapore.

Although the market is saturated, Singaporeans continue to seek out fresh franchise concepts to introduce into the country. The success of selling a franchise in Singapore is based on a number of factors including brand name, up-front costs and royalties, the concept's uniqueness, and the flexibility of the franchise agreement. U.S. franchisors should note that real estate in Singapore is prohibitively expensive and getting a good location is a challenge, especially for those in the retail and F&B business.

With its strategic location and well-developed infrastructure, Singapore serves as the regional showcase and distribution center for U.S. franchisors wishing to enter Asia markets. There have been instances where visitors from the region saw a franchise concept in Singapore and were interested in bringing it back to their own countries. In 2016, Singapore attracted over 16.4 million visitors from around the world. The country's multi-ethnic society also makes it an ideal location for foreign franchisors to test their concepts and use the reaction to gauge the acceptance of their franchise in Asia. There are also opportunities for U.S. franchisors to work with Singapore companies to access markets in nearby countries. Singapore investors may buy franchise licenses for additional markets in the Southeast Asian region and not for Singapore alone.

## **Direct Marketing**

The direct marketing industry in Singapore began in the early 1990s and now includes direct mail, telemarketing, television sales, mail order, call centers, fulfillment, and eCommerce firms. The Direct Marketing Association of Singapore represents both users and service providers. The direct marketing industry is well supported by service companies including: Singapore Post, Singapore Telecom Call Center, Teledirect, TNT International Mail, Ogilvy One and MMS Consultancy, among many others. The Singapore government also actively supports the industry by assisting companies (through financial incentives) in using direct marketing for their trading activities through its Direct Marketing Program.

The Direct Selling Association of Singapore (DSAS), a self-regulatory body, was established in 1976. It provides a forum for all direct-selling companies in Singapore to discuss problems of common

concern and to codify a high standard of business practices throughout the industry. The DSAS has adopted a Code of Conduct by which member-companies in the Association must abide by in every aspect of business. Through the Code of Conduct, DSAS aims to further inculcate the spirit and practice of ethical direct-selling within its member-companies, setting examples for others to follow.

### **Joint Ventures/Licensing**

Foreign investors are not required to enter into joint ventures or cede management control to local interests. In Singapore, local and foreign investors are subject to the same basic laws. Apart from regulatory requirements in some sectors, the government screens investment proposals only to determine eligibility for various incentive regimes. Singapore places no restrictions on reinvestment or repatriation of earnings or capital.

Licensing is also a viable alternative in Singapore. With one of the strongest IPR protection schemes in Asia, a well-developed legal framework and an advanced manufacturing base, Singapore is an attractive location for American licensors.

### **Selling to the Government**

Many governments finance public works projects through borrowing from the Multilateral Development Banks. Please refer to the [“Project Financing” Section in “Trade and Project Financing”](#) for more information.

Singapore is a signatory to the WTO Agreement on Government Procurement. The U.S.-Singapore FTA (USSFTA) provides increased access for U.S. firms to Singapore’s central government procurement. The USSFTA contains specific conduct guarantees to ensure that Singapore Government Linked Companies (GLCs) will operate on a commercial and non-discriminatory basis towards U.S. firms. GLCs with substantial revenues or assets are also subject to enhanced transparency requirements under the USSFTA. In accordance with its USSFTA commitments, Singapore enacted the Competition Act in 2004 and established the Competition Commission of Singapore in January 2005. The Act contains provisions on anti-competitive agreements, decisions, and practices; abuse of dominance; enforcement and appeals process; and mergers and acquisitions.

U.S. firms generally find Singapore to be a receptive, open and lucrative market. The Singaporean government procurement system is considered by many American firms to be fair and transparent. Procurement recommendations are made at the technical level and then forwarded to management for concurrence. Bidders should work closely with the project manager to determine the relative importance of decision criteria such as technical capability and price. Bidders must meet the specifications set out in the tender. Post mortem hearings or meetings for losing bidders are not required or common. Government procurement regulations are contained in Instruction Manual 3, available from the Ministry of Finance. [The Singapore Government also advertises its tenders on its website.](#)

## Distribution and Sales Channels

Singapore's distribution and sales channels are simple, direct and open to the participation of foreign firms established in Singapore. Because of Singapore's role as a regional hub, most local distributors will also have knowledge of regional distribution rules and regulations. Most consumer goods are imported by stocking distributors who resell to retailers. Some goods are imported directly for sale in the importer's own retail outlets.

## Express Delivery

Changi Airport is served by more than 100 airlines flying to some 380 cities in about 80 countries and territories worldwide. Among these, over 20 airlines operate more than 300 weekly scheduled freighter flights linking Singapore to about 52 cities in 18 countries.

As one of the world's busiest airports for air cargo, Changi Airport handles over 1.97 million tons annually, with transshipment volume accounting for almost half of the throughput. At Changi Airport, stringent standards are set to ensure that ground handlers deliver world class services to the cargo agents and the shippers while cargo clearance through the Customs checkpoints remains seamless and efficient.

Performance Standards	Target
Cargo documents available within 2 hours of passenger aircraft arrival	90%
Cargo documents available within 4 hours of freighter aircraft arrival	90%
Cargo available within 3.5 hours of passenger aircraft arrival	90%
Cargo available within 5.5 hours of freighter aircraft arrival	90%
Cargo cleared by customs within 13 minutes	90%

## Selling Factors and Techniques

Price, quality and service are the main selling factors in Singapore. Prospective exporters to Singapore should be aware that competition is strong and that buyers expect good after-sales service. Selling techniques vary according to the industry or the product involved, but they are comparable to the techniques used in any other sophisticated market.

## eCommerce

### Overview

Singapore's eCommerce market is growing fast helped by its pervasive, ultra-high speed, and trusted ICT infrastructure, tech savvy population, and the government's dedication in embracing the digital economy and achieving its goal of becoming a Smart Nation. The World Bank ranked Singapore as the second easiest place to do business in the world. It is English speaking, has rule of law, strong IP protection, and an advanced infrastructure network. There is excellent opportunity for U.S. companies to participate in the growing Singapore eCommerce market given its sophisticated, international customer base and one of the highest disposable incomes in Asia. Situated at the crossroads of international shipping and air routes, Singapore is a center for

transportation and communication in the region, making it an ideal gateway into Asia Pacific's eCommerce market.

### **Current Market Trends**

Singapore's eCommerce market is growing fast. Online shopping in Singapore tripled from S\$1.1 billion in 2010 to S\$3.5 billion in 2014, and forecasted to grow to as much as S\$46.3 billion in 2020. The eCommerce ecosystem in the country has grown significantly as key digital marketplaces such as Qoo10 have set up regional operations in Singapore to manage their growth in Southeast Asia. The Singapore government envisioned the country to be a hub for consumer-centric innovation where companies understand and know their consumers online. It actively supports companies in leveraging IT to develop and expand their businesses.

### **Domestic eCommerce (B2C)**

A favorite pastime of Singaporeans is shopping and online shopping is especially popular with young adults and higher income households. A study by Visa showed that 26% of Singaporeans shop online at least once a week – the highest in Southeast Asia. Those in the 25 to 44 age group most frequently shop online in Singapore.

### **Cross-Border eCommerce**

According to Forrester Research, 60% of Singapore's eCommerce sales come from cross-border orders, a significant percentage compared to countries like Malaysia (40%), Japan (18%), and South Korea (25%). The Financial Study Association of Amsterdam also highlighted Singapore's suitability as an eCommerce test-bed, as the high share of cross-border trade offers businesses unique insights into Asia Pacific's online shopping behavior.

### **B2B eCommerce**

B2B eCommerce transactions have been growing in Singapore and there is a trend of more companies using the country as a base to reach overseas customers in neighboring countries. The Singapore government actively supports eCommerce with various initiatives to help businesses establish strategies locally and abroad while helping them increase sales and productivity.

### **eCommerce Services**

There are many local fulfillment centers in Singapore and some such as Singapore Post provides a full service end-to-end managed eCommerce solution. Situated at the crossroads of international shipping and air routes, Singapore is a center for transportation and communication in Southeast Asia. With more than 100 airlines serving some 380 cities, Singapore's Changi Airport has established itself as a major aviation hub in the Asia Pacific region. Singapore is also a leading international maritime center, home to more than 120 international shipping groups. The World Bank's Logistics Performance Index ranked Singapore Asia's top performer when it comes to global freight forwarding and express carriers. Its well-developed logistics and infrastructure network has attracted major international logistics companies such as FedEx, UPS and DHL to locate major hubs in Singapore.

## **eCommerce Intellectual Property Rights**

The Singapore government has strengthened statutes and regulations to boost consumer confidence in eCommerce. U.S. firms interested in doing business in Singapore should be aware of the following regulations and laws:

Electronic Transactions Act

Sale of Goods Act

Misrepresentation Act

Computers Misuse Act

Copyright Act

Trade Marks Act

Personal Data Protection Act

## **Popular eCommerce Sites**

Besides Amazon, E-bay, and Apple, other popular eCommerce sites visited by Singaporeans include Taobao, Qoo10, Lazada, Zalora, Carousell, Redmart, Reebonz, HipVan, and Honestbee.

## **Online Payment**

Singapore has the most mature eCommerce payment infrastructures in Southeast Asia. A survey by Payvision showed that most domestic eCommerce sales are paid by credit cards and bank transfers. Cash on delivery is not as commonly used in Singapore as in other countries in Southeast Asia. For cross-border purchases, Singapore's preferred payment methods are credit cards and PayPal.

## **Mobile eCommerce**

Smartphones are ubiquitous in the country as Singaporeans use them to listen to music, connect with friends, find restaurants, get the latest news, and shop online. Mobile commerce shows a stronger growth than the overall eCommerce market. Young Singaporean customers (between 18 and 29 years old) are driving this trend; almost three quarters of them use their mobile devices for online shopping. Mobile usage is expected to continue to grow strongly.

## **Digital Marketing**

Some effective online promotions on eCommerce sites include discounts of 15%, buy one get one free, and/or free delivery.

## **Major Buying Holidays**

Black Fridays, Christmas, Chinese New Year, and Google Online Festivals drive online purchases in Singapore.



## **Social Media**

Singaporeans are among the most active social media users in the world. They use Facebook, YouTube, Google, LinkedIn, Instagram, Twitter, Tumblr, and Pinterest as well as messaging apps such as WhatsApp. The country has one of the most developed ICT infrastructures in the world with a nation-wide super high-speed fiber optic broadband network. According to the Infocomm Media Development Authority (IMDA), 86% of Singaporean households are connected to the internet. In December 2016, Singapore's mobile penetration reached 149.8% with 3.4 million 3G subscriptions and 4.8 million 4G subscriptions. Singapore is a leading early adopter market for tablet ownership, with household penetration estimated at 54% at the end of 2014. The high adoption rate for mobile devices will drive mobile eCommerce, with 55% of online shoppers choosing to do their shopping via their mobile device, according to PayPal.

## **Trade Promotion and Advertising**

There are many specialized trade magazines in Singapore and scores of trade fairs that can be used to promote U.S. goods and services. The major English-language daily newspapers are The Straits Times and The Business Times. The major Chinese daily is Lianhe Zaobao. Leads for local advertising and promotional service agencies can be found via the Singapore Yellowpages. Major trade fair organizers include UBM-SES, Reed Exhibition Services, Experia Events, and Koelnmesse.

## **Pricing**

Pricing is very competitive. Major department stores and retail chains offer fixed-price merchandise, while the smaller shops expect buyers to bargain. Hard bargaining is common in the commercial and industrial sectors as well, where buyers usually want a discount, and vendors inflate their initial offers accordingly. Credit terms of 30-60-90 days are common. Buyers will often retain 10% of the sales price for major electronic equipment purchases until the vendor has installed the machine, and it is performing according to specifications.

Typical Product Pricing Structures: Depending on the type of product, importer mark-ups range from 20-40%, while retail mark-ups are often more than 100%. Industrial goods are brought in by stocking distributors, who add on at least 20% before sale to end-users, or by agents whose commissions generally run about 7-10%. These mark-ups are approximate, and will vary widely, depending on the product and the contractual relationship in question.

## **Sales Service/Customer Support**

Good sales and customer support are vital in Singapore. The market is so price competitive that client-focused sales support or customer service can make a big difference. Singapore distributors respond well to training on new products, and if properly supported by the U.S. manufacturer will do a good job cultivating old customers and developing new ones.

## Protecting Intellectual Property

In any foreign market companies should consider several general principles for effective management of their intellectual property. For background on these principles please link to our article on [Protecting Intellectual Property](#) and also [Corruption](#).

Singapore has signed a number of major IPR treaties, such as the Paris Convention for the Protection of Industrial Property, the World Intellectual Property Organization (WIPO) copyright treaty, the Berne Convention for Literary and Artistic Works, the Madrid System for the International Registration of Marks, and the Patent Cooperation Treaty.

### IP Contact in Southeast Asian region

Name: Mr. Teerin Charoenpot, Senior IP Specialist, Office of Regional IP Attaché for Southeast Asia

Address: U.S. Patent and Trademark Office, U.S. Embassy Bangkok, Room 302, GPF Witthayu Tower A, 93/1 Wireless Road, Bangkok 10330, Thailand

Telephone: (662) 205-5886

E-mail: [tcharoen@trade.gov](mailto:tcharoen@trade.gov)

## Due Diligence

Entities wanting to carry out business in Singapore must register with the Accounting and Corporate Regulatory Authority (ACRA). The U.S. Commercial Service Singapore offers the [International Company Profile service](#) to American firms wishing to check the bona fides of existing or potential partners. Alternately, U.S. firms can run a check on Singapore companies by accessing the [ACRA database](#). Other credit agencies include [Infocredit D&B](#).

## Local Professional Services

Legal Services: A list of service providers can be found at [The Law Society of Singapore website](#).

Accounting and Tax Services: A list of service providers can be found at the [Institute of Singapore Chartered Accountants website](#).

## Principle Business Associations

### Singapore Business Federation:

The Singapore Business Federation (SBF) is the apex business chamber that champions the interests of the Singapore business community in trade, investment, and industrial relations. It represents 21,500 companies, as well as key local and foreign business chambers, that contribute significantly to the Singapore economy.

Its formation was to foster a more comprehensive organization and representation of the business community's interests in Singapore and abroad.

As the apex business chamber, SBF presents a strong collective voice that:

- Acts as a bridge between the business community and government in Singapore to create and enhance an environment conducive to business.
- Represents the business community in bilateral, regional, and multilateral fora for the purpose of promoting trade expansion and business networking in Singapore and abroad
- Helps companies build competitiveness and resilience through capacity building initiatives and services

As a “Business Voice and Value Creator”, SBF is committed to advocating key issues that impact the Singapore business community, helping enterprises develop capabilities and venture overseas.

#### **American Chamber of Commerce in Singapore:**

The American Chamber of Commerce in Singapore (AmCham) is the leading international business association in Singapore, with over 5,000 members representing more than 700 companies. American companies’ direct investment in Singapore exceeds US\$243.7 billion. Its mission is to promote the interests of AmCham members in Singapore and the region by providing insights, advocacy and connections through its programing and publications. AmCham represents its members at the highest levels of government in Singapore and Washington, and advocates on policy issues concerning them.

#### **Limitations on Selling U.S. Products and Services**

The business limitations are confined primarily to the professional services such as the legal, accounting and tax services, and engineering and architectural services. Details can be found in the “Investment Climate Statement”.

#### **Web Resources**

[Buy U.S.A.](#)

[Government of Singapore](#)

[GeBiz](#)

[Singapore Statues Online](#)

[GovTech](#)

[SG](#)

[Straits Times](#)

[Business Times](#)

[Zaobao](#)

[Singapore Yellowpages](#)

[UMB SES](#)

[Reed Expo](#)

[Experia Events](#)

[Koelnmesse](#)

[Accounting and Corporate Regulatory Authority \(ACRA\)](#)

[Stop Fakes](#)

[Law Society of Singapore-Find a Lawyer](#)

[Institute of Singapore Chartered Accountants](#)

## Leading Sectors for U.S. Exports and Investments

### Semiconductors

#### Overview

Singapore-based electronics manufacturers account for 11% global market share for semiconductor wafer foundry output and 25% global market share for printers. The world's top three wafer foundry companies, top three sub-contract assembly-and-test companies, and top four fabless IC design companies all have facilities in Singapore. Electronic components for these plants are imported and integrated into products such as mobile phones, digital cameras, hand-held tablets, music players, game consoles, and televisions, which are then mainly exported. According to news articles, the electronics semiconductor sector has been a driving force of the overall manufacturing sector in the first quarter of 2017.

Singapore's manufacturing sector has emerged as a regional economic powerhouse, contributing at least 20% to the Gross Domestic Product (GDP). A large component of this sector – electronics semiconductors – has attracted substantial foreign investments as well as value-added output and employment, contributing more than 25% of the manufacturing output. Despite the global economic uncertainty, cost pressures and regional competition, the fall in global oil prices, coupled with local structural shifts towards higher-value production and services, Singapore continues to be a world-class semiconductor hub. It is still the location of choice for multi-national corporations (MNC) to enter new markets, launch products, processes, applications, and technology.

	2014	2015	2016	2017 (Estimated)
Total Local Production	25,929	24,225	24,655	24,200
Total Exports	95,711	90,571	87,233	86,900
Total Imports	66,025	88,573	63,728	67,600
Imports from the U.S.	4,241	3,735	4,238	4,700
<b><u>Total Market Size</u></b>	-3,756	-3,926	1,150	4,900
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

## **Leading Sub-Sectors**

There are increasing opportunities for Electronics Manufacturing Services (EMS) companies to pursue in various areas such as medical devices and aerospace. Many of the world's top EMS companies such as Flextronics, Solectron, and Venture are located in Singapore, which is becoming an attractive base of high value-added production activities. Another electronic component technology that is being developed is the Organic Light Emitting Diode (OLED), which is gradually replacing LCD panels.

Leading the growth will be new technology products such as 3D printers, Ultra-High Definition televisions, connected thermostats, unmanned systems (unmanned aerial vehicles, unmanned vehicles, and home robots), internet protocol cameras and wearables such as health and fitness devices and smartwatches. Smart phones, which are driving social media usage in Asia, are also on the increase. These products are expected to double, growing more than 100% year-over-year in recent years.

The wearable device revolution is a key category to watch in the coming years. It is projected that overall wearable unit sales will reach 30 million units and generate in excess of US\$5 billion in annual revenue over the next few years. Health and fitness devices are expected to lead unit sales among all wearables with a projected 20 million units. The revenue is expected to surpass US\$1.8 billion.

## **Opportunities**

The precision engineering industry, which supports the EMS companies, is an important sector of the Singapore economy. Through the supply of components, tooling, and equipment, this industry provides integral support to the manufacturing sector. Emerging global trends such as rapid urbanization, energy conservation, and ageing populations poses new problems for the Singapore market, which in turn allows for new opportunities for the electronics industry in Singapore. There are four new growth areas that have been identified; they are namely green electronics, bio-electronics, plastic electronics and security. By 2020, the contribution to electronics output from these new growth areas is expected to triple to 30% of the electronics output.

The Government of Singapore still expects to greatly expand manufacturing output by 2020 and is aiming to reach a total manufacturing output of US\$200 billion and total manufacturing value-added of US\$50 billion. More than 20,000 jobs are expected to be created in the manufacturing and the service sectors in the coming years as a result. Hewlett Packard and Texas Instruments which have extensive electronics expertise, have invested nearly US\$10 billion combined. Singapore is also a leading manufacturer of enterprise hard disk drives with companies such as Seagate and Hitachi. Over the past few years, the country accounted for half of the world's enterprise hard disk drives.

## Web Resources

### Trade Shows

Semicon Southeast Asia

April 2018

### Singapore Government Offices

Singapore Economic Development Board

### Industry Organizations

Singapore Semiconductor Industry Association

Association of Electronic Industries in Singapore

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## Oil and Gas

### Overview

Singapore has become one of the most important shipping centers in Asia and is one of the world's top five oil trading and refining hubs. In addition, Singapore is one of the market leaders for floating production, storage and offloading (FPSOs) conversions and offshore jack-up rigs. Underground caverns for oil storage and a liquid natural gas (LNG) terminal are also being expanded in phases to enhance Singapore's position as the premier regional center for the oil and gas industry. In view of the significant decrease in oil prices, the growth and imports are expected to be much less promising over the next 6-12 months due to a decrease in oil and gas exploration. However, as the regional hub for Southeast Asia and its friendly business environment, there will be opportunities for U.S. exporters in Singapore especially when the oil and gas industry improves globally.

	2014	2015	2016	2017 (Estimated)
Total Local Production	85,280	50,061	43,938	58,000
Total Exports	93,378	60,386	52,483	58,000
Total Imports	130,417	77,734	60,827	77,300
Imports from the U.S.	4,773	5,659	1,809	2,200

	2014	2015	2016	2017 (Estimated)
<b><u>Total Market Size</u></b>	122,319	66,959	72,149	77,300
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Singapore offers many opportunities for American companies including:

- Supply of equipment such as boring or sinking machinery for upstream and downstream oil and gas, shipbuilding, marine, mechanical and electrical construction, oxidation additives, and various control systems
- Oilfield equipment that includes instrumentation such as drilling information systems, drilling monitors, mud logging units, mud monitoring systems, torque gauges, pressure gauges, weight indicators, deadline anchors, valves/actuators, performance testing, and design control systems
- Supply of tubular products such as casings, tubing, carbon steel line pipes, drill pipes, heavy wall pipes, drill collars, drill stem accessories, and mechanical alloy steel tubes used on derricks

### Opportunities

Singapore is often listed as the leading oil trading hub in Asia (third in the world after New York and London) and amongst the world's top five oil refining centers. It has a refining capacity of nearly double its rate of petroleum products consumption. It is also a world leader in the construction of exploration and production platforms and FPSOs conversions as well as for jack-up rigs.

Engineering, procurement, and construction of the US\$700 million LNG terminal was awarded in late 2009 to a Korean consortium led by Samsung. The first phase was completed in 2013 with the arrival of the first shipment of LNG from Qatar. Future expansion work (including a second LNG terminal which has been proposed), costing more than US\$500 million, is already being planned as Singapore aims to be a future hub for natural gas trading and transshipment in Asia. Once all phases are completed by 2017, the first terminal will be able to handle nine million metric tons per year.

The construction of Very Large Floating Structures (VLFS) for storage of oil and petroleum products is also being explored since land is scarce. Feasibility studies are underway to determine the impact of sea currents and met-ocean conditions according to recent press reports. To be economical, the minimum storage capacity of a VLFS would be 300,000 cubic meters or equivalent

to that of a very large crude carrier. It is estimated that it would cost US\$150 million or more – the decision to move forward with the issue of a tender (engineering, procurement, and construction) has been postponed till 2018 due to the downturn in the oil & gas sector, but actual construction will commence in 2019-20 at the earliest.

## **Web Resources**

### **Trade Shows**

[OSEA 2018](#)

December 4-6, 2018

### **Singapore Government Offices**

[Singapore Economic Development Board \(SEDB\)](#)

[International Enterprise Singapore \(IE Singapore\)](#)

[Spring Singapore](#)

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## **Aircraft and Parts**

### **Overview**

Singapore ranks second in our list of top markets for U.S. aircraft parts exports due to the country's status as a major aircraft maintenance hub. Singapore's favorable customs regime and its location in a rapidly growing regional aviation market have attracted many firms from the United States and Europe to set up subsidiaries in Singapore. Singaporean maintenance firms such as ST Aerospace and SIA Engineering Company are major global players in their own right. While the growth of aircraft fleets in other Asian countries (like China) and the high cost of doing business in Singapore may challenge Singapore's dominance in the future, today it remains a solid means of entry to the Southeast Asia market.

	2014	2015	2016	2017 (Estimated)
Total Local Production	8,421	9,263	10,004	10,500
Total Exports	9,054	9,683	9,896	9,800
Total Imports	11,857	12,882	12,506	12,700



Imports from the U.S.	7,131	8,744	6,957	7,100
<b><u>Total Market Size</u></b>	11,224	12,462	12,614	13,400
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)  
Data Sources: Singapore Government Trade Statistics

### **Leading Sub-Sectors**

Singapore's Maintenance, Repair and Overhaul (MRO) industry is robust. Backed by a large pool of over 100 aerospace companies, Singapore has garnered a quarter of the Asian MRO market. Singapore has become the leading aviation hub in Asia-Pacific today, contributing over a quarter of the region's Maintenance, Repair and Overhaul (MRO) output. Leading players such as ST Aerospace and Goodrich carry out comprehensive nose-to-tail MRO services from airframe maintenance to engine overhaul to aircraft modifications and conversion. Singapore is also a center for regional parts distribution and warehousing.

The boom in low-cost travel and a growing web of open-skies agreements are expected to power long-term growth for Asian airlines in the years ahead. As an aerospace hub in the Asia Pacific, Singapore is most definitely going to reap the benefits of this upturn.

In addition to supplying to all aspects of the MRO business, Singapore will see new growth opportunities in the areas of business aviation, regional training, and asset management.

### **Opportunities**

Demand for commercial and business aviation is expected to grow, fueled by Singapore's growth as a global city and the exponential travel trends in the Asia Pacific region. With Terminal 4 due for operation in early 2018 and Terminal 5 in the 2020s, Changi Airport will be expanded to a capacity of 135 million passengers per year by around 2025. A third runway will also be built to handle larger passenger aircraft and is slated to be operational by the early 2020s.

To support the long-term growth of the logistics and aerospace industries, an industrial zone will also be developed, for airfreight and air express operators as well as MRO activities. These developments will offer great opportunities for U.S. businesses to supply the aerospace sector in Singapore.

### **Web Resources**

#### **Trade Shows**

Singapore Air Show 2018

February 6-11, 2018

**Singapore Government Offices**

Singapore Economic Development Board

Civil Aviation Authority of Singapore

Defense Science and Technology Agency

Changi Airport Group

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## Medical Devices

### Overview

A 2016 report published by Lancet medical journal places Singapore in the top ranks for global healthcare, along with Iceland and Sweden. According to the World Health Organization (WHO), Singapore's healthcare system ranks sixth globally and offers the fourth best healthcare infrastructure in the world. It spends 4% of GDP on healthcare and provides universal coverage for Singaporeans with multiple layers of care. In 2014, a Bloomberg report ranked Singapore first for most efficient healthcare system out of 51 countries while the Economist Intelligence Unit (EIU) ranked Singapore second in the world for best healthcare outcomes. Among its ASEAN peers, Singapore spends the most annually in healthcare on a per capita basis. It also serves as the healthcare and medical hub of the region and offers Asia's best healthcare system. The Joint Commission International (JCI) has accredited 22 Singapore hospitals and healthcare facilities. Each year, Singapore draws over 350,000 patients with its high-quality healthcare. According to the International Healthcare Research Centre (IHRC)'s latest study in 2014, Singapore ranked fourth out of 25 countries worldwide in the medical tourism rankings.

Prominent international healthcare and research organizations such as the American Association for Cancer Research, Duke University, Healthcare Information and Management Systems Society, and Joint Commission International have established a presence in Singapore. The research institutes work with scientists here to accelerate drug discovery and develop therapies for unmet healthcare needs.

The government is very committed to Singapore's healthcare needs and the long term plan is to raise GDP spending on healthcare to 8%, up from 4% currently. The Health Ministry's 2017 budget is \$7.4 billion and the government's projected healthcare spending is expected to rise to \$9.6 billion per year by 2020. Singapore has strong fundamentals in healthcare excellence, providing strong infrastructure and universal health coverage. This emphasis on quality care has enabled the country to achieve high life expectancies, fourth in the world, and the lowest infant mortality in the world. Its challenge is that it has one of the fastest aging populations in Asia, which will translate to a greater demand for specialized elderly care amid rising costs.

In 2016, imports of medical equipment and supplies to Singapore increased by 10% over the previous two years. This augurs well for the healthcare sector with the increased spending associated with the establishment of new hospitals and healthcare facilities. U.S. imports of medical equipment and supplies accounted for 30% of market share in 2016 and registered an increase of 8% over the previous year.

Based on available trade figures for 2016 and 2017 to date, U.S. exports of medical equipment to Singapore are expected to increase in 2017. This reflects the continued focus the Singapore government has to grow and enhance the healthcare delivery sector and the positive perceptions associated with American brands in the medical devices and healthcare sector. As regional economies start to enjoy higher economic growth and improvements in healthcare standards and delivery, transshipments through Singapore are expected to rise. A continued increase in exports

after 2017 is anticipated. At present, more than 60% of products imported into Singapore are subsequently re-exported.

Medical devices are regulated under the Health Products Act and Health Products (Medical Devices) regulations. Singapore's Health Sciences Authority (HSA) oversees the system of statutory control aimed to safeguard the quality, safety and efficacy of medical devices available in Singapore. Almost all medical devices are regulated. Class A medical devices supplied in a non-sterile state are exempted, however, Class A sterile, Class B, C, and D medical devices are subject to product registration requirements. Classification rules are adopted from the guidance developed by the Global Harmonization Task Force (GHTF).

ASEAN has been developing a uniform system for registering and assessing medical devices across the ten member countries. Various ASEAN economies have started adoption of the ASEAN Medical Device Directive (AMDD). This requires ASEAN countries to adopt uniform classification criteria for medical devices. This bodes well for U.S. medical device manufacturers as they will be able to easily access a common medical device market with a market size of more than 600 million people. Adherence to the basic principles of the AMDD in ASEAN will likely only take place in late 2017 or in the next few years.

	2014	2015	2016	2017 (Estimated)
Total Local Production	10,455	10,395	10,683	10,800
Total Exports	19,730	19,739	20,307	19,900
Total Imports	11,723	11,000	12,181	11,200
Imports from the U.S.	4,114	3,317	3,582	3,600
<b><u>Total Market Size</u></b>	2,448	1,656	2,557	2,100
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

The Singapore government is very committed to Singapore's healthcare needs and has committed a budget of US\$7.4 billion. There will be three shifts in the Health Ministry and these are: Beyond Healthcare to Health; Beyond Hospital to Community; Beyond Quality to Value.

Statistics have shown a rise in the incidence of diabetes in Singapore where approximately 8% of the population is diabetic. The Ministry of Health is looking to arrest this and will dedicate resources to combat it. There are currently more than 400,000 diabetics, costing Singapore over

US\$740 million yearly. This is expected to rise to US\$1.8 billion if the trend is not arrested. A holistic approach encompassing regular health screenings, lifestyle changes, and exercise will be adopted. Opportunities therefore exist for U.S. suppliers of health and wellness products.

The mandate of the Health Ministry is to deliver affordable healthcare, ensuring good medical outcomes, reducing illness and promoting good health and ensuring that the country is resilient against communicable disease threats and civil emergencies. Five years ago, the government announced a US\$5.6 billion budget that addressed infrastructure concerns in the short and long term as well as healthcare provision and subsidies for the poor. The three key areas of focus are healthcare infrastructure, healthcare delivery, and managing the associated costs and issues related to an aging population. This budget also includes larger subsidies for surgical implants, the treatment and management of chronic diseases, as well as funding programs to promote healthy lifestyle and active-aging programs. As a result, U.S. exporters of medical devices, preventive and health screening products, and disease management solutions would be able to benefit.

The Singapore government also remains committed to ensuring that the national healthcare system keeps pace with global medical advancements. To keep up with advances in biomedical science and encourage the development of new clinical treatments for Singaporeans, the Ministry of Health, in partnership with A\*STAR (Agency for Science, Technology and Research), and several other governmental bodies, will invest US\$53 million in clinical and translational research. Another US\$10.6 million has been set aside for the development of new clinical services. The aim is to augment Singapore's medical capabilities in the public healthcare system and position Singapore as the premier regional medical services hub. U.S. exporters who are able to provide cutting-edge technology, laboratory and testing equipment, and services for the healthcare and research communities, will find Singapore a lucrative market.

The elderly, categorized as those over 65 years, currently represents 10.7% of the total population, higher than all the other ASEAN countries. Within the next twenty years, Singapore will experience what is known as 'hyper-aging.' Over a quarter of the population will be 65 years and older by 2030. As such, more facilities for the elderly, such as nursing homes and rehabilitation centers, need to be built. The demand for services such as geriatric medicine and rehabilitation medicine are expected to rise as is demand for homecare services. U.S. firms specializing in elder-care products and services will find a robust and growing market in Singapore.

## **Opportunities**

Broadly speaking, the opportunities are in personal health management, health screening, disease management, preventive care products, access to homecare resources and support, health IT solutions, data sharing, and advanced technologies that would enable seamless and integrated healthcare. Innovative solutions that offer relative value are sought.

According to Frost and Sullivan, Asia Pacific's healthcare market is estimated to contribute close to 33% of the global healthcare market and estimated to be valued at \$521 billion, with trends in the medical device industry in Asia mainly centered on imaging, cardiovascular, and healthcare IT. A

key driver for the Southeast Asian region is the impending liberalization of the services sector this year under the ASEAN agreement. A 2012 study by Deloitte Centre for Health Solutions indicates that Southeast Asia has the highest private health expenditure of any region in the world, at 63.1% of total health expenditures. This has led to increased private-public sector collaboration in Singapore, Malaysia, and Thailand.

Singapore is renowned for its role as a healthcare hub for the region, treating patients from neighboring Malaysia, Brunei, Indonesia, Thailand, Philippines, and more recently, from the Americas, Europe, and the Asia Pacific.

Government hospitals account for 80% of all hospital beds in Singapore while the private sector accounts for 20%. Under Healthcare 2020, over 4,000 new public hospital and community hospital beds will be added by 2020. Currently, there were an estimated 12,000 hospital beds, equal to a rate of 2.2 beds per thousand people. Three quarters or 9,700 will come from the public sector with the private sector accounting for the rest.

Demand for medical equipment comes from public and private hospitals and clinics. The Health Ministry is the largest consumer, accounting for nearly 70% of local demand. All public and the majority of private sector hospitals are Joint Commission International (JCI) accredited. Parkway Healthcare, the largest private sector healthcare provider in Singapore, is also a significant buyer of medical equipment. More than 80% of local demand is met through imports and there is a premium placed on American-made products. U.S. manufacturers with innovative products will find Singapore a good market place.

Singapore will invest in primary care infrastructure such as polyclinics and community health centers. Digital technologies that support the healthcare sector are another area of investment. Singapore's Ng Teng Fong Hospital, a public tertiary hospital, obtained the coveted HIMSS EMRAM Stage 7 in late 2016, the highest EMRAM level, barely a year after its opening. The National Electronic Health Record (NEHR) project, launched eight years ago, valued at US\$144 million is close to becoming a reality with each citizen having his or her own electronic medical record.

Between now and 2025, parts of the Singapore General Hospital, to be renamed the Outram Campus and Community Hospital, will expand with major redevelopment of Singapore's oldest and largest hospital set to take place from 2025 to 2035. Over the medium term, five new public hospitals and up to twelve more polyclinics will be built by 2030 to ensure that Singapore has adequate healthcare coverage. There are also plans to build new and replacement nursing homes to bring the total to 25 by 2020. Given that the world is facing infectious disease threats due to more global travel and increased connectivity, a new 300-bed hospital for infectious disease is expected to be built by 2018. In addition, a new 12-story, US\$135 million National Heart Center building, three times larger than the size of the existing one, is currently being built at the Singapore General Hospital and is scheduled for completion in 2020. Other infrastructure projects include the Woodlands General Hospital and the existing Tan Tock Seng Hospital. These are scheduled to progressively come on stream between 2020 and 2036.

## **Web Resources**

### **Trade Shows**

APACMed Asia Pacific Medtech Forum 2017

November 7-8, 2017

Phar-East 2018

March 1-2, 2018

Asia Health 2018

April 3-5, 2018

MEDLAB Asia Pacific 2018

April 3-5, 2018

International Dental Exhibition and Meeting 2018 (IDEM)

April 13-15, 2018

Medical Fair Asia 2018

August 29-31, 2018

### **Singapore Government Offices**

Singapore Ministry of Health (MOH)

MOH Holdings (MOHH)

Integrated Health Information System (IHiS)

Health Sciences Authority (HSA)

Health Promotion Board (HPB)

Agency for Integrated Care (AIC)

Singapore Economic Development Board (SEDB)

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## Telecommunications

### Overview

Singapore remains one of the world's most technologically advanced telecommunications markets, according to BMI. In January 2017, the Singapore wireless population broadband penetration rate was 198.2% while the household residential wired broadband penetration rate was 97.6%. Mobile penetration reached 149.8% and the mobile operators have closed their 2G networks effective April 1, 2017. Telecom statistics can be found via the [Infocomm Media Development Authority](#).

Telecommunications and Internet facilities in Singapore are state-of-the-art, providing high-quality communications with the rest of the world. 3G services were rolled out in 2005, 4G in 2011, and mobile operators introduced 4G+ and LTE-A in 2014. Singapore currently has three main mobile telephony operators, 17 mobile virtual network operators (MVNOs), and 82 Internet Services Providers in Singapore. However, Australian TPG Telecom won the fourth national mobile operator license last year and is expected to roll out its services nationwide in 2018. The U.S. and Singapore have a Mutual Recognition Arrangement (MRA) on telecom equipment certification, and a list of the recognized U.S. testing and certification agencies can be found via the [Infocomm Media Development Authority](#).

Besides a nationwide broadband network infrastructure, Singapore is well connected by multiple satellite and submarine cable systems with more than 498 terabits per second (Tbps) of potential capacity supporting international and regional telecoms connectivity. It has more than 10.5 terabits per second (Tbps) of international Internet bandwidth connectivity to economies such as the U.S., China, Japan, India, as well as some countries in Europe and ASEAN.

	2014	2015	2016	2017 (Estimated)
Total Local Production	1,946	2,288	2,292	1,800
Total Exports	10,076	11,613	11,451	10,500
Total Imports	10,079	9,591	9,470	9,400
Imports from the U.S.	832	666	664	710
<b><u>Total Market Size</u></b>	1,949	267	311	760
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Singapore is a major entrepôt and serves as a major distribution center for companies interested in selling to the region. In 2016, over 96% of telecommunications products imported into Singapore



were re-exported for third country consumption. Best prospects for the Singapore market are next generation solutions for broadband, 4G, IPTV, VoIP, Internet of Things (IoT), and Smart Nation Initiatives.

## **Opportunities**

In December 2016, TPG Telecom Pte Ltd made the winning bid in the New Entrant Spectrum Auction, and was allocated 60 MHz of spectrum. This comprised 20 MHz in the 900 MHz spectrum band and 40 MHz in the 2.3 GHz spectrum for the provision of 4G and International Mobile Telecommunications Advanced services. The new operator is expected to roll out its services in 2018 and this presents U.S. companies a good opportunity to supply their equipment and solutions. In addition, current operators are also seeking new technology as they seek to offer advanced services to their customers, including IoT products such as smart home and telecare applications to the mass market.

Singapore is implementing some of the ideas articulated in its [Infocomm and Media 2025 Master Plan](#), e.g., it is developing a Smart Nation Platform and Heterogeneous Network that will form the infrastructural foundation for Smart Nation, delivering connectivity to "Everyone, Everything, Everywhere, All the Time."

The Singapore government seeks to partner ICT companies to develop innovative services and solutions to achieve their vision of a smart and connected nation. U.S. companies interested in participating in Singapore's ICT projects should review the following websites: [Programmes and Partnerships page of the GovTech website](#).

## **Web Resources**

### **Trade Shows:**

[CommunicAsia/BroadcastAsia](#)

June 26-28, 2018

### **Key websites:**

[Infocomm Media Development Authority](#)

[GovTech/](#)

[Singapore Infocomm Technology Federation \(SiTF\)](#)

[Association of the Telecommunications Industry of Singapore](#)

[Export.gov-Market Intelligence](#)

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## Computers

### Overview

Singapore is one the most wired country in the world connected by a network of fiber optics. The 2016 World Economic Forum Global Information Technology Report ranked Singapore as the most network-ready country in the world to leverage ICT for increased competitiveness and well-being.

According to latest available government statistics, computer usage amongst all businesses in Singapore is 90% and broadband adoption rate increased to 95% for those companies with 10 or more employees. More than 97% of Singapore homes have broadband access and households showed trends of switching to using Internet-enabled mobile phones and other Internet-enabled devices such as Smart TVs to access the Internet.

Singapore has developed a 10-year Infocomm and Media 2025 Master Plan that charts the directions the country will take to stay at the forefront of innovation and achieve its vision of becoming a Smart Nation. To unify and speed up the roll out of its smart nation initiatives, the Singapore government has made a series of organizational restructurings, and formed the Smart Nation and Digital Government Group (SNDGG) under the Prime Minister's Office on May 1, 2017. It is an executive agency comprising staff from the Digital Government Directorate of the Ministry of Finance (MOF), the Government Technology Policy Department in the Ministry of Communications and Information (MCI), and the Smart Nation Program Office (SNPO) and the Government Technology Agency (GovTech).

	2014	2015	2016	2017 (Estimated)
Total Local Production	10,446	10,028	8,590	7,600
Total Exports	19,034	18,115	16,327	14,800
Total Imports	12,053	11,456	10,468	10,600
<b><u>Total Market Size</u></b>	3,464	3,369	2,730	3,400
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Best prospects include government projects, cyber security, business analytics, data centers, cloud computing, internet of things, artificial intelligence, and other smart nation solutions in mobility, health, education, and fintech.

According to the 2016 Top Markets Report Health IT Country Case Study by USDOC ITA, Singapore was ranked the 5th market for Health IT exports. Singapore continues to be a solid Health IT market, particularly among Asian countries. The city-state recently announced plans to expand its National Electronic Health Record system, first developed in 2010 and in existence since 2011. It is expected to procure an estimated US\$200 million in ICT projects in the healthcare sector in FY 2017. Over the next five years, the Ministry of Health (MOH) expects to increase its procurement of IT services and technologies by at least 25%. The Integrated Health Information Systems (IHIS), the technology arm for MOH plans to invest in co-creating disease prevention and management programs, home diagnostic toolsets, and assistive robots.

Singapore is expected to have a sharp increase in its over-60 population over the next 15 years. Besides high expected growth in the over-60 population, Singapore's compact geography, highly urbanized society, high per-capita income and widespread use of mobile phones and Internet are other factors that support strong Health IT usage. More information can be found via the [International Trade Administration's Top Markets series](#).

### **Opportunities**

According to BMI, Singapore is an advanced and high-value enterprise market where software and services spending are expected to drive continued growth in total IT spending over the medium term. Singapore also benefits from its regional hub status. BMI forecasts 2017 sales of computer hardware in Singapore to amount to US\$1.45 billion and software to reach US\$2.14 billion.

The Singapore government announced that it will be spending more than US\$1.7 billion on ICT tenders in addition to the US\$200 million on ICT projects in the healthcare sector. U.S. companies interested in doing business with the Singapore government should register with [GeBIZ](#), the Singapore government's one-stop e-procurement portal where public sector invitations for quotations and tenders are posted. Both local and foreign suppliers are able to search for government procurement opportunities, download tender documents, and submit their bids online. U.S. companies interested in partnering with the government should also review the website: [Programmes and Partnerships page of GovTech's website](#).

### **Web Resources**

#### **Trade Shows**

[RSA Conference 2017](#)

July 26-28, 2017

[Cloud Expo Asia](#)

October 11-12, 2017

October 10-11, 2018

[Cloud Security Expo](#)

October 11-12, 2017

October 10-11, 2018

Smart IoT

October 11-12, 2017

October 10-11, 2018

Data Centre World

October 11-12, 2017

October 10-11, 2018

Singapore Fintech Festival

November 13-17, 2017

Seamless 2018

May 3-4, 2018

IOT Show Asia 2018

April 1-2, 2018

Enterprise IT

June 26-28, 2018

**Key websites**

Infocomm and Media Development Authority

GovTech/

Singapore infocomm Technology Federation (SiTF)

Export.gov-Market Intelligence

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## **Environmental Technologies (POL)**

### **Overview**

Singapore enjoys one of the cleanest urban environments in Asia, including clean air for much of the year. During the summer months, however, slash-and-burn agriculture in Indonesia typically blankets Singapore in thick smog known as “transboundary haze”. The resultant hazardous levels of air pollution have caused notable economic losses in the form of medical expenses, employment absences, and business closures each year. The matter is addressed by the ASEAN Agreement on Transboundary Haze Pollution.

One key focus of air pollution mitigation efforts in the country has been on emissions from the transportation sector. Singapore has adopted Euro 5 standards for new diesel vehicles and will move to Euro 6 for all new gasoline vehicles on January 1, 2018.

In its Nationally Determined Contribution under the December 2015 Paris Climate Agreement, Singapore committed to reduce its emissions intensity by 36% from 2005 levels by 2030 and to peak its emissions around 2030. Singapore has had success in reducing its carbon emissions by switching most of its energy production to natural gas. As of 2014, over 95% of the country's power was generated by natural gas fired plants.

	2014	2015	2016	2017 (Estimated)
Total Local Production	18,977	19,357	19,744	19,500
Total Exports	10,798	9,847	8,763	8,500
Total Imports	10,142	9,223	8,974	8,700
Imports from the U.S.	2,643	1,742	1,647	1,620
<b>Total Market Size</b>	18,321	18,733	19,955	19,700
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Singapore has invested heavily in research and technology over the last four decades and has become a center of excellence in water resource management. The result is a thriving industry with more than 180 international and local companies active in the market. The water technologies market has been, and will continue to be, large and highly sophisticated as the country aims for water independence. Areas of particular interest include filtering and purifying machinery and apparatus, technologies involving wastewater recycling and treatment, and desalination technologies.

### Opportunities

In addition to the environment control equipment, demand for advanced water technology and infrastructure in Singapore also presents commercial opportunities for U.S. water technology providers. According to the Public Utilities Board, the agency has plans to increase the country's desalination and NEWater capacities enough to meet up to 50% of freshwater demand by 2060.

## **Web Resources**

### **Trade Shows**

[BEX Asia](#)

September 12-14, 2017

[Singapore International Energy Week](#)

October 23-27, 2017

[Singapore International Water Week](#)

July 8-12, 2018

### **Singapore Government Offices**

[Ministry of the Environment and Water Resources](#)

[National Environment Agency](#)

[Public Utilities Board](#)

[Energy Market Authority](#)

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## **Industrial Automation**

### **Overview**

As the regional powerhouse for advanced manufacturing technologies (close to 90,000 are employed in this sector who contribute slightly more than 10% of Singapore's total manufacturing output) such as industrial automation, Singapore provides an excellent opportunity for U.S. manufacturing companies to enter the ASEAN region. Manufacturing represents a significant component of Singapore's GDP -- 20% according to Singapore's Economic Development Board (EDB).

Precision sensors / instrumentation, micro-electrical machining systems (MEMS), smart manufacturing, internet of things and 3D printing which all make use of industrial automation technologies will be critical components of Singapore's long-term economic growth. In 2014, the U.S. held 19.1% of Singapore's market share for automation equipment making it the largest partner that year. This was even larger than China or Japan.

	2014	2015	2016	2017 (Estimated)
Total Local Production	3,412	2,977	2,520	2,700
Total Exports	5,999	5,439	5,244	5,400
Total Imports	4,662	4,439	4,698	4,700
Imports from the U.S.	958	795	768	800
<b><u>Total Market Size</u></b>	2,075	1,977	1,975	2,000
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Singapore ranks highly in the exports of U.S. industrial automation technologies and products. It is expected that exports to Singapore will grow at a slightly faster pace over the next 1-2 years due to the improving economy. From 2009 – 2015, U.S. exports in this sector grew at an average annual rate of 11% and as such, the best prospects are for the following:

#### Electric Motors and Actuators

In 2015, Singapore was the 9th largest recipient for this sub-sector, which totaled US\$118 million but it has been on the decrease due to the current slump in the oil and gas sector. This sector uses a great deal of electric and pneumatic actuators, and it will be another 1-2 years before there is a pick-up again.

#### Electrical Relays and Industrial Controls

In 2015, Singapore was the 7th largest market for this sub-sector, which totaled US\$114 million but it has been on the decrease though it is expected to increase again with key infrastructure projects in the transportation sector commencing.

#### Industrial Robots

In 2015, Singapore was the 8th largest recipient of U.S.-made products such as replacement parts and end-of-arm tooling, which totaled US\$13 million in exports. It is expected that there will be strong competition from Japan and Europe.

#### Material Handling

In 2015, Singapore was the 15th largest recipient of U.S.-made material handling equipment including conveyors and elevating apparatuses, which totaled US\$16 million in exports. Due to economic slowdown in various Asian countries, there will not be much growth in this sub-sector over the next 1-2 years.

## **Sensors and Instruments**

In 2015, Singapore was the 5th largest recipient of U.S.-made sensors and instruments, including process control equipment for level metering, which totaled US\$90 million in exports. This sub-sector is expected to do well over the next 1-2 years.

## **Opportunities**

Manufacturing is a key engine of the Singapore economy where precision engineering is the crucial enabler for industries as diverse as aerospace, electronics, chemicals, logistics, pharmaceutical, telecommunications, and offshore engineering. According to the Singapore Government, it is the essential ingredient in the fabrication of the smallest semiconductor chips, to the most cutting-edge of medical devices, and the largest oil and gas drill bits.

Singapore's precision engineering activities began some 50 years ago and there are now around 2,500 companies, ranging from small and medium enterprises (SMEs) to large multinational corporations (MNCs) who provide contract manufacturing services and system integration of automation and robotic solutions. In view of manpower shortages and to increase productivity, these companies are being encouraged to adopt and make use of industrial automation as well as advance manufacturing technologies

Automation is also seen to be spreading to other industries such as retail, services, and healthcare especially with the convergence of key technologies such as wireless sensors, cloud computing, big data and analytics, as well as an aging population. As such, the Singapore Government has various incentives for companies to upgrade the skills of their workers so as to meet technology advancements in the fields of precision motion, electromechanical modules, and robotics.

## **Web Resources**

### **Trade Shows**

#### Asian Robotics Expo

November 22-23, 2017

#### Manufacturing Solutions Expo 2017

October 25-27, 2017

#### Inside 3D Printing

February 2018

#### MTA 2019

April 2019



**Singapore Government Offices**

Singapore Economic Development Board (SEDB)

Singapore Institute of Manufacturing Technology

**Industry Organizations**

Singapore Industrial Automation Association

Singapore Manufacturing Federation

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**Laboratory and Scientific Equipment****Overview**

Singapore will sustain R and D spending at about 1% of GDP. The Research Innovation Enterprise (RIE) 2020 Plan aims to support and translate research into solutions that address national challenges, build up innovation and technology adoption in companies, and drive economic growth. Under the RIE plan over the next four years to 2020, the Singapore government will invest US\$13 billion in RandD and innovation activities. This represents an increase of 18% over the previous five-year plan, and signals a strong commitment to R and D and the RIE ecosystem. The four areas of focus are Advanced Manufacturing and Engineering, Health and Biomedical Sciences, Services and the Digital Economy, and Urban Solutions and Sustainability.

These seek to deepen Singapore's technological capabilities and competitiveness in manufacturing and engineering, advance human health and wellness, leverage the country's digital capabilities and more. Under RIE2020, there will be an additional US\$1.8 billion for "white space" which refers to emerging research, innovation, and enterprise activities. Developing deep RandD capabilities continues to remain a key priority.

In 2000, when Singapore began its push into the biomedical sciences, the medical technology industry was worth US\$1.2 billion. Since then, Singapore's biomedical sciences sector has grown into a sizeable stable of almost 300 companies and businesses. This includes over 30 global medical technology companies that have set up commercial-scale manufacturing plants in Singapore.

The United States continues to dominate in the area of laboratory and scientific equipment and accounts for approximately 24% of total imports. Imports from the U.S. increased by 15% in 2016

and correspondingly, total imports in 2016 also increased by 18%. However, based on available data, U.S. imports are projected to decrease in 2017. Purchasing cycles for such equipment is between 5-10 years, and as the industry replaces equipment, demand is expected to remain constant.

As Singapore is a transshipment hub, more than 60% of imports are re-exported.

The U.S. is considered a leader in the field of scientific and laboratory instrumentation and there is a strong preference for American manufactured products. With Singapore's keen focus across a broad spectrum of industries, such as advanced manufacturing, precision engineering, chemicals, and biomedical sciences, exports of American laboratory and scientific equipment is expected to remain strong.

	2014	2015	2016	2017 (Estimated)
Total Local Production	15,206	13,963	14,424	13,900
Total Exports	23,997	23,575	25,192	23,800
Total Imports	17,502	16,449	19,541	17,800
Imports from the U.S.	5,089	4,692	5,446	4,600
<b>Total Market Size</b>	8,711	9,435	8,773	7,800
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

### Leading Sub-Sectors

Demand for laboratory and scientific equipment comes from industry clusters such as the biomedical sciences, clean technologies (which encompasses environmental and water technologies), electronics, microelectronics, aerospace, petrochemicals, specialty chemicals, marine and offshore engineering, interactive and digital media, data storage, and institutional R and D laboratories. Several of these key and leading sub-sectors have also attracted substantial new investment.

In the area of biomedical sciences, more than 7,000 researchers carry out research and development for more than 50 companies, universities and private and public sector research institutes. More than US\$1.23 billion is spent on biomedical RandD annually. The global medical technology industry is projected to exceed US\$300 billion by the end of the year with a significant contribution to this expansion coming from the Asia-Pacific market.

The Singapore Agency for Science, Technology and Research (A\*STAR) will also establish two model factories by the end of 2017 at the A\*STAR's Advanced Remanufacturing and Technology Center and the Singapore Institute of Manufacturing Technology. These factories aim to encourage collaboration and development of innovative solutions for companies and stakeholders. Manufacturing remains a key pillar of Singapore's economy making up 20% of GDP. More than 60 A\*STAR research scientists and engineers have been seconded to local companies to help support and grow this sector.

## **Opportunities**

Looking ahead, the Singapore government has budgeted US\$13 billion in continued support of research, innovation, and enterprise activities till 2020. This year, 2017, marks the first year of this new RIE 2020 plan for science and technology research.

A significant amount is dedicated to developing the advanced manufacturing sector and there is continued support of the existing biomedical RandD infrastructure, integrating multi-disciplinary research and translating basic science into tangible outcomes.

Considerable resources are being poured into six key research areas, specifically molecular, cellular, and developmental biology, cancer genetics, stem cells and regenerative medicines, immunology and infectious disease, metabolic medicine, and biomedical engineering. Many global companies and Asian enterprises have significant operations in Singapore, including eight of the world's top ten pharmaceutical companies, all of the top ten medical technology companies, as well as several global skincare and personal care companies. U.S. firms include GE Healthcare, Johnson and Johnson, Amgen, Merck, Baxter, BD, and Procter and Gamble.

Recognizing that Asia is home to half of the world's population, Singapore is betting on clean technologies as a strategic economic growth area. To achieve this, Singapore has allocated approximately US\$580 million to develop five key areas for clean technologies. These are research and development, manpower development, grooming Singapore-based enterprises, branding Singapore's clean technology industry internationally, and developing a vibrant cleantech ecosystem. There are more than 70 water companies present in Singapore and these include U.S. firms such as GE Water and Black and Veatch.

## **Web Resources**

### **Trade Shows**

#### Phar-East 2018

March 1-2, 2018

#### MEDLAB Asia Pacific 2018

April 3-5, 2018

## Singapore Government Offices

A\*STAR (Agency for Science, Technology and Research)

Singapore Economic Development Board (SEDB)

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## Education

### Overview

Singapore is home to the top two universities in Asia: The National University of Singapore is the top university in Asia while Nanyang Technological University is second according to Quacquarelli Symonds' (QS) 2015 annual ranking of Asian universities. The OECD's Program for International Student Assessment ranks Singapore's public schools as among the best globally. Singapore emphasizes, supports, and values higher education as well as human resource development and skills upgrading. Many government agencies and private sector companies also offer full scholarships for top students to pursue their undergraduate and graduate studies in foreign universities such as Australia, the United Kingdom, and the United States. An increasing number of adult workers are also encouraged to upgrade their skills to be more knowledgeable in a globalized and digital economy.

	2011	2012	2013	2014	2015	2016	2017
Number of visas issued to Singaporeans	2,875	3,109	3,253	3,038	3,117	2,846	2,580
% increase / decrease from previous year	2.2	8.1	4.6	-6.6	2.6	-8.7	-9.3
Total visas issued including foreign students	4,654	4,994	5,092	4,784	4,856	4,439	4,000
% increase / decrease from previous year	-0.5	7.3	2.0	-6.0	1.5	-8.6	-9.9

Data Sources: U.S. Embassy – Consular Office

## **Leading Sub-Sectors**

There are currently close to 5,000 Singaporeans (excluding exchange students) pursuing tertiary education in the U.S.; two-thirds are undergraduates and a third are graduate students.

U.S. universities and colleges will find a receptive market in Singapore, provided they are willing to invest in long-term branding and marketing with accredited programs in disciplines that offer strong career growth and high income potential. Apart from the traditional disciplines such as engineering and life sciences, the following degree courses are becoming increasingly important and are expected to see increased demand from Singaporean and third-country students studying in Singapore.

- Cybersecurity
- Media and Animation
- Hospitality and Tourism
- Sports Science and Medicine
- Business Analytics and Digital Economy

## **Opportunities**

The Singapore education system is well known for its quality, resulting in a strong demand from students in the region to study here. U.S. universities, in addition to recruiting full-time students (both local and overseas) to study in the United States, may want to consider offering their external degree and executive education programs in Singapore to Singaporeans as well as international executives working in the region. However, simply having proper recognition and/or accreditation in the foreign institution's own country is only a starting point for approval for a foreign institution seeking to offer programs or courses in Singapore.

In addition to meeting Singapore's standards, "national ranking" appears to be a key criterion for approval. The Council for Private Education was set up to regulate this new Private Education Bill which was passed in November 2009, and as of 2015, they have completed the evaluation of all existing private education institutions (PEIs) and foreign degree programs that are offered in Singapore. According to industry sources, the number of PEIs has been reduced to a quarter of what it used to be.

U.S. universities and colleges should also consider the large number of foreign students studying at the high school and polytechnic levels in Singapore especially since 50,000 foreign students (mainly from Malaysia, Indonesia, Thailand, Vietnam, China, India, and South Korea) study in Singapore. These foreign students would have passed the necessary background checks and also have a reasonably good command of English after studying in Singapore.

## Web Resources

### U.S. University Fairs

[Education USA Study Fairs](#)

[Linden U.S. University Fairs](#)

[AEO Student Recruitment Fairs](#)

### Singapore Government Offices

[Council for Private Education](#)

[Ministry of Education](#)

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## Agriculture

### Overview

As a small country, Singapore has limited agricultural land and domestic food production. Agriculture contributes less than 1% of the country's GDP per capita and 1.3% of labor force by occupation in 2016. Singapore produces mainly leafy vegetables and beansprouts, all for local consumption. With a total landmass of 1,465 hectares (3,620 acres), its six Agro-technology parks, comprising of 200+ farms, produce a diverse range of products including livestock, eggs, vegetables, fruits, orchids, and aquarium fish and food. Singapore is a major exporter of some 500 ornamental fish species, and cut orchids that are exported to more than 30 countries including the United States, Japan, Greece, and Canada.

Due to its limited agricultural land and resources, Singapore is almost entirely dependent upon imports for all of its food requirements. There are no import tariffs or excise taxes for all food and beverages, except for alcoholic beverages and tobacco products. A Goods and Services Tax (GST) of 7% is levied for all goods and services at the point of distribution.

	2014	2015	2016	2017 (Estimated)
Total Local Production	182.5	157.3	173.1	174.9
Total Exports	8.3	7.5	7.1	6.95
Total Imports	10,911	9,840	9,357	9,200
Imports from the U.S.	965.3	864.9	831.5	843.6

	2014	2015	2016	2017 (Estimated)
<b><u>Total Market Size</u></b>	11,085	9,989	9,523	9,300
Exchange Rates	1.27	1.38	1.38	1.40

\$US millions (*total market size = (total local production + imports) - exports*)

Data Sources: Singapore Government Trade Statistics

## Leading Sub-Sectors

### Dairy products

In general, prospects are bright for U.S. dairy product sales to Singapore due to steady economic conditions, middle class expansion, dietary pattern shifts, growing food manufacturing industry, and healthier lifestyles, which acknowledge dairy products' role in health and nutrition. Albeit a decrease in sales across-the-board, the United States was still mostly the fourth largest supplier of dairy products in 2016 while Australia and New Zealand are strong competitors.

Some dairy products tend to perform better than others. According to Euromonitor, cheese registered retail value growth of 3% in 2016, slightly lower than the review period average due to increasing category maturity. Essentially, there are two distinct consumer bases for cheese/cheese products: those who trade up to more expensive unprocessed cheese for healthy and quality reasons; and those who remain price sensitive. Because customers' interests in cheese continue to grow, the retail value growth sales of cheese is expected to remain robust.

Fortified/functional milk products characterized new product launches in 2016. These launches reflected increasing consumer demand for healthier and value-added products. They also indicated a strong trend toward making drinking milk products more "premium" as a growth strategy in a mature product category. For example, Fonterra brand added a black sesame flavor to its Anlene brand; Nestle introduced Milo Nutri G- which combines Milo with whole grains; and regional brand FandN launched a reformulated version of its Magnolia Plus Oats. Milk products are considered dietary staples and thus the products' retail value growth are expected to remain stable.

Yoghurt products are considered both nutritious and healthy, but they are increasingly in the mature product category. However, with the on-going trend of eating healthy, as long as companies keep focusing on new flavor development and better fortification, this would likely help to retain and reinvigorate consumer interest in yoghurt products.

Breakfast cereal continued to do well in 2016. In April last year, Singapore's Health Promotion Board launched a campaign to support increased consumption of whole grains, including breakfast cereal, in an attempt to reduce the risk of diabetes among Singaporeans. The campaign helped to raise the overall profile of whole grains across food categories, and has had a positive impact on sales of breakfast cereal. Cereal is also a common breakfast item for most international hotel

chains and restaurants; and international brands dominate the sector - including popular U.S. brands.

### **Fresh Fruit**

The U.S. continued to dominate the fresh fruit market in 2016 due to price competitiveness, quality, and promotional support provided by U.S. suppliers, brand recognition, and supply reliability. Despite a decrease of 2.17% compared to 2015, the U.S. still registered a healthy US\$83 million in sales of fresh fruit last year. In addition, Singapore's highly developed cold chain distribution system helps U.S. fruit prospects. The top U.S. fresh fruit from 2012 to last year were grapes, oranges, strawberries, and apples. The U.S. faces strong competition from China, Malaysia, Australia, and South Africa.

Local consumers, in general, highly regard U.S. fresh fruit quality. Higher income also creates more demand for certain premium air-flown fruit such as strawberries, plums, and avocados. Local consumers are receptive to U.S. fresh fruit promotional programs and attractive packaging, and educational materials. U.S. exporters have excellent opportunities in the main retail channels of supermarkets, hypermarkets, and convenience stores. The fresh fruit market is competitive, with extremely price-sensitive retailers and consumers.

### **Fresh Vegetables**

Despite strong competition from neighboring countries with their lower labor and transportation costs, prospects for U.S. fresh vegetables are still attractive due to solid demand for U.S. products and ongoing health trend.

U.S. products tend to gravitate toward the premium market, where quality is more of a factor. Top U.S. selling fresh vegetables in 2016 were potatoes, asparagus, celery, and lettuce. While there is price sensitivity on more expensive products such as asparagus, purchases for asparagus actually increased by 4.05% for the 2016/2015 period.

Singapore's vibrant and dynamic food service sector has led to rapid growth in imported temperate climate vegetables. Key supermarket chains also offer imported vegetables from the United States.

Rising tourism in recent years and the large number of expatriates living in Singapore have led to the increased demand for imported vegetables. Imported vegetables should continue to grow by 6% during the next five years. According to Euromonitor, the Asia Pacific region accounted for nearly 81% of the global vegetable consumption (2015 figure).

### **Snacks**

The snack sector in Singapore is dominated by products from Malaysia and international brands manufactured in ASEAN and China. There is high competition for retail shelf space especially among chocolate producers. However, there is still room for growth for U.S. products; in particular they have strong brand recognition. In 2016, the U.S. was the third largest supplier at \$37 million; and the top U.S. selling snacks were bread, pastry, cake (one category), potatoes, and nuts.



The demand for sweet and savory snacks is expected to remain robust in years to come, due to Singaporeans' rising disposable incomes, increasingly busy lifestyles, and growing tendency of Singaporeans to snack. New launches and promotional marketing activities also help to sustain demand, including new brands, product types, and flavor variants. There is also a growing demand for higher quality and more expensive snack products. The increasing popularity of social media generates demand for snacks.

According to Euromonitor, packaged food manufacturers (including snack producers) were tapping into the ongoing health and wellness trend as a key focus area in 2016. With the increasing pervasiveness of the Healthier Choice Symbol on products, manufacturers were taking advantage of enhanced fortification and more specific health claims as a key marketing strategy in gaining value share for their products and this trend dominated new product developments in the industry last year.

### **Wine**

According to Euromonitor, wine is predicted to record a 5% total volume Compound Annual Growth Rate (CAGR) over the forecast period, generating 15 million liters (3.9 million gallons) in sales in 2020. Wine sales have been growing steadily in the last few years due to increased demand and broadness of the market. Consumers in Singapore enjoy various types of wines. The increasing number of "specialty" wine shops also reflects growing demand.

France dominates the wine market by more than 69%, followed by Australia, Italy, the United Kingdom, and the United States. While it is growing, the U.S. market share in the overall market is still quite low (it was number five in the global import ranking in 2016) due to Singaporeans' lack of familiarity and awareness of U.S. wines. U.S. wines have greatest potential in the mid-tier range as French wines dominate the premium market with their broad range of products and high profile promotions; and Australian wines dominate the retail market with their broad range of products from mass market to premium, and have strong distribution channels. According to Euromonitor, Pernod Ricard led wine with 9% of total volume sales given its brand strength; and consumers can easily find Jacob's Creek in foodservice and retail channels in Singapore.

Singaporeans are generally well educated when it comes to drinking wine and tend to follow global trends. Their emphasis on matching wine and food has prompted them to try wines from different countries. Also, the younger generation tends to experience wine drinking from an early age at social gatherings. Thus, retail sales of wine are expected to record positive and stable growth.

U.S. wines have good quality recognition, and the growing premium dining sector, and growing number of wine shops ensure potential for U.S. wine sales. Singapore also serves as an important transshipment point for sales to neighboring countries.

## **Pork**

According to USDA's Livestock and Poultry: World Markets and Trade, U.S. pork production is forecast up nearly 5% in 2017 as producers increase supplies in anticipation of strong domestic demand and higher exports. Exports are forecast up to 8% at 2.6 million tons. Lower prices are expected to boost shipments to foreign markets too. The projected increase in U.S. production in 2017 is attributed to several factors: increased producers' profits and lower feed prices (as a result of record harvest of soybeans and corn in 2016 that have spurred hog production to increase globally); U.S. packers' added capacity; and strong demand from China.

In Singapore, U.S. pork/pork products and offal faced strong competition in 2016 from Brazil, Australia, Netherlands, China, and Spain. While U.S. pork's sales went down in 2016 by more than 51% at US\$14 million, the long terms prospects in Singapore are relatively good as pork is a major protein food staple for the majority of the population, and good prospects in high-end outlets for U.S. pork where consumers pay premium price for higher quality food products.

## **Opportunities**

Due to scarce agricultural land and resources, Singapore imports nearly 90% of its food products from abroad and this, in turn, generates a vibrant and diverse retail foods market, with an assorted range of food products, from basic to high-end organic foods. U.S. products have gained traction in recent years, but competition is fierce. The United States was the fourth largest supplier at US\$872 million in 2016 and with a market share of 8%, behind Malaysia, Indonesia, China, and Australia at number five. The U.S. is a major exporter of fresh fruits, dairy products, breakfast cereals, meat products, snack foods, and pet food.

Growth in consumer spending for consumer goods and food and beverages is expected to stay strong in 2014-18, at an average increase of 5% in local currency terms. According to the Singapore Department of Statistics and Research, as of December 2016, retail sales of supermarkets have grown by 1.2% month-on-month and 0.8% year-on-year. Despite the weaker global economic climate and increased competition from online grocers, experts expect strong sales at supermarkets over the next few years due to the effective marketing strategies adopted by leading supermarket chains; higher prices for goods; more willingness to spend on quality; more people choosing to dine at home; and a rising interest in cooking due to popularity of cooking shows on television and social media.

Singapore is at the crossroads of major air and sea routes in the Asia Pacific region and serves as a hub and major transshipment center for much of the Southeast Asian region and Indian subcontinent. Singapore's important role in regional trade is demonstrated by the fact that re-exports comprise 45-50% of total exports. The country's strategic location also contributes to Singapore's position as a regional food showcase and headquarters for many major food and agricultural multinationals.

## **Web Resources**

[Agri-Food and Veterinary Authority of Singapore \(AVA\)](#)

[Singapore Manufacturing Federation \(SMF\)](#)

[Singapore Business Federation](#)

[Singapore Fruits & Vegetables Importers & Exporters Association \(SFVA\)](#)

[Singapore Chefs Association \(SCA\)](#)

[Restaurant Association of Singapore \(RSA\)](#)

[Singapore Hotel Association \(SHA\)](#)

[U.S. Department of Agriculture \(USDA\)](#)

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# Customs, Regulations and Standards

## Trade Barriers

Singapore maintains one of the most liberal trading regimes in the world, but U.S. companies face several trade barriers. Singapore maintains a tiered motorcycle operator licensing system based on engine displacement, which, along with a road tax based on engine size, adversely affects U.S. exports of large motorcycles. Singapore also restricts the import and sale of non-medicinal chewing gum. For social and/or environmental reasons, it levies high excise taxes on distilled spirits and wine, tobacco products, and motor vehicles.

Services barriers include sectors such as pay TV, audiovisual and media services, licensing of online news websites, legal services, banking, and cloud computing services for financial institutions. Details can be found in the [USTR Report on Foreign Trade Barriers](#) that is available online.

While Singapore's Agri-Food and Veterinary Authority (AVA) follows OIE and Codex guidelines, AVA can be overly strict and risk averse; and this has generated several ongoing trade barriers issues- mostly SPS - with the United States. AVA requires health certification for a wide range of uncooked meats and shellfish; food inspectors regularly pull samples off the shelves of retail stores for laboratory testing of preservative and additives; and all meat imports are visually inspected and subjected to regular testing for salmonella / other micro bacteria. Regarding Pathogen Reduction Treatments (PRT), AVA now allows nine instead of eight out of the 41 antimicrobial washes currently allowed in the United States.

As for U.S. pork and pork products, AVA requires U.S. fresh and chilled pork products to be tested for trichinae even though *Trichinella spiralis* in U.S. commercial swine rarely shows up as U.S. pork producers practice stringent biosecurity protocols. The *Trichinella* testing is both expensive and time consuming, and thus creates a barrier to international trade. AVA also imposes strict shelf life requirements on chilled, frozen, and processed meat and poultry products that limit the time after slaughter/ manufacture that a product must enter Singapore.

The USDA and AVA had concluded discussions on U.S. beef that allows for a greater market access and range of U.S. beef products to Singapore. As of June 2015, these include bone-in, fillets and a diverse variety of processed beef products. Prior to this, Singapore restricted U.S. beef to only boneless beef from cattle less than 30 months of age. The U.S. was officially categorized by the World Organization for Animal Health (OIE) as negligible risk for BSE in 2013. For beef offal and processed products, added requirements and some restrictions still apply; and thus, establishments are required to register and send pre-approval documentation to AVA first prior to export. After the recent successful discussion between APHIS and AVA, the temporary bans of U.S. poultry due to HPAI outbreaks have been scoped down from state to county level; and for LPAI outbreaks, the bans have been reduced from county level to 10 km radius around the affected premises.

There are no restrictions on foreign ownership of business in Singapore, except for national security reasons and in particular areas such as air transportation, public utilities, newspaper

publishing, and shipping. Singapore is an open economy and encourages trade and investment into the country.

#### Restrictions on Selling to the Government of the Country

Singapore is a signatory to the WTO Agreement on Government Procurement. The U.S.-Singapore FTA provides increased access for U.S. firms to Singapore's central government procurement. U.S. firms generally find Singapore to be a receptive, open, and lucrative market. The Singaporean government procurement system is considered by many American firms to be fair and transparent. However, some U.S. and local firms have expressed concerns that government-owned and government-linked companies (GLCs) may receive preferential treatment in the government procurement process. Singapore denies that it gives any preferences to GLCs or that GLCs give preferences to other GLCs. Procurement recommendations are made at the technical level and then forwarded to management for concurrence. Bidders should work closely with the project manager to determine the relative importance of decision criteria such as technical capability and price. Bidders must meet the specifications set out in the tender. Post mortem hearings or meetings for losing bidders are not required or common. Government procurement regulations are contained in Instruction Manual 3, available from the Ministry of Finance. The Singapore Government also advertises its tenders on its website.

#### **Import Tariff**

Singapore is generally a free port and an open economy. More than 99% of all imports into Singapore enter the country duty-free. For social and/or environmental reasons, Singapore levies high excise taxes on distilled spirits and wine, tobacco products, motor vehicles and petroleum products.

Singapore levies a 7% Goods and Services Tax (GST). For dutiable goods, the taxable value for GST is calculated based on the CIF (Cost, Insurance, and Freight) value, plus all duties and other charges. In the case of non-dutiable goods, GST will be based on the CIF value plus any commission and other incidental charges whether or not shown on the invoice. If the goods are dutiable, the GST will be collected simultaneously with the duties. Special provisions pertain to goods stored in licensed warehouses and free trade zones. See Inland Revenue Authority of Singapore and Singapore Customs for more information.

#### **Inland Revenue Authority of Singapore**

##### **Comptroller of Goods and Service Tax**

55 Newton Road

Revenue House

Singapore 307987

Tel: +65 1800 356 8633 (General Helpline)

Fax: +65 6351 3553

**Singapore Customs**

55 Newton Road  
#10-01 Revenue House  
Singapore 307987  
Tel: +65 6355 2000  
Fax: +65 6250 8663

**Import Requirements and Documentation**

Companies must make an inward declaration for all goods imported into Singapore. All imports require an import permit although this is largely a statistical requirement for most goods. Details can be found via [Singapore Customs](#).

**Bona Fide Trade Samples**

The import of trade samples that is below US\$275 is not subject to payment of duty and/or GST. In addition, no permit is required for their import. Bona fide trade samples (excluding liquors and tobacco) may be imported for the following purposes: solely for the purpose of soliciting orders for goods to be supplied from abroad; for demonstration in Singapore to enable manufacturers in Singapore to produce such articles to fulfill orders from abroad or by a manufacturer for the purpose of copying; and for testing or experimenting before producing such articles in Singapore. More information can be found via [Singapore Customs](#).

**Labeling/Marking Requirements**

Labels are required on imported food, drugs, liquors, paints and solvents and must specify the country of origin.

A food label should contain core information such as the prescribed food name, list of ingredients, mandatory warning, advisory statements or allergens declarations, net weight or volume, date mark, nutritional information panel, instructions for use or storage, country of origin, the name and address of the business and manufacturer and importer. Repackaged foods must be labeled to show (in English) the appropriate designation of food content printed in capital letters at least 1/16 inch; whether foods are compounded, mixed or blended; the minimum quantity stated in metric net weight or measure; the name and address of the manufacturer or seller; and the country of origin. Illustrations must accurately describe the true nature or origin of the food. Foods having defined standards must be labeled to conform to those standards and be free from added foreign substances. Packages of food described as “enriched”, “fortified”, “vitaminized” or in any other way that implies that the article contains added vitamins or minerals must show the quantity of vitamins or minerals added per metric unit. More information can be found at: [website of the Agri-Food and Veterinary Authority of Singapore](#).

There are two levels of labeling requirements for medicinal products. Administrative labeling requirements are not statutory requirements and are specified in the Health Sciences Authority's Guidance on Medicinal Product Registration in Singapore. Compliance is checked during the product registration process, prior to granting of marketing approval. For legal labeling requirements, these are stipulated in the legislation related to medicinal products regulation in Singapore and are subject to the Health Sciences Authority's surveillance program. The labeling requirements include the name of the active ingredient, quantitative particulars, product license number and name and address of the dealer. More information may be found in Chapter 176 Section 44 of the Medicines Act.

Labeling and advertising legislation also applies to the sale of vitamins and dietary supplements. Generally, labeling laws require that: 1) the composition of the products is disclosed in English, 2) labels/packaging materials not contain any references to diseases/conditions as specified in the schedule to the Medicines (Advertisement and Sale) Act; and 3) the advertising/sale promotion of the product in the public media be approved by the Health Sciences Authority.

As the national Safety Authority for 45 categories of Controlled Goods as well as the Weights and Measures Authority, SPRING administers two marks, namely, the SAFETY Mark and the ACCURACY Label.

The "SAFETY Mark" is intended for selected electrical and electronic products as well as gas appliances which are sold to consumers for use in Singapore households. The "SAFETY Mark" helps consumers to identify registered Controlled Goods. All registered Controlled Goods must be tested to specific international and national safety standards and certified safe by designated product certification bodies. The products are individually marked with the "SAFETY Mark" either on the product or the packaging. The "SAFETY Mark" is unique and traceable to the registrant and the registered models. More information on the registration for the SAFETY Mark can be obtained from via SPRING Singapore.

As the Safety Authority, SPRING also administers the Consumer Protection (Consumer Goods Safety Requirements) Regulations (CGSR) to enhance the safety of general consumer goods in the household. Such consumer goods include toys, children's products, apparel and furniture. These regulations bring the safety of Singapore's consumer goods in line with internationally accepted standards. There is no approval needed from the Safety Authority. The authority carries out regular market surveillance to protect consumers against unsafe consumer goods.

The "ACCURACY Label" covers weighing and measuring instruments intended for trade use. In Singapore, all weighing and measuring instruments used for trade purposes (like price computing scales in supermarkets, baggage weighing machines at airports and seaports as well as fuel dispensers at petrol stations) are regulated under the Singapore Weights and Measures Act and Regulations. Before an ACCURACY Label can be affixed on the instrument, it will first need to be pattern registered with SPRING. Thereafter, every individual weighing or measuring instrument

will need to be verified fit for trade use and affixed with a tamper-proof seal and the ACCURACY Label by SPRING-appointed Authorised Verifiers (AVs).

Competent private sector bodies such as manufacturers, installers, suppliers and repairers of weighing and measuring instruments may apply to be designated by SPRING to handle the verification of weighing and measuring instruments for trade use. More information on the ACCURACY Label can be obtained from.

Telecommunication equipment imported for use in Singapore is subject to “Type Approval” by the Infocomm Development Authority of Singapore.

For the construction industry, the Building and Construction Authority uses the Construction Quality Assessment System (CONQUAS) to objectively rate building works.

## **U.S. Export Controls**

The United States imposes export controls to protect national security interests and promote foreign policy objectives. The United States also participates in various multilateral export control regimes to prevent the proliferation of weapons of mass destruction and prevent destabilizing accumulations of conventional weapons and related material. The U.S. Department of Commerce’s Bureau of Industry and Security (BIS) administers U.S. laws, regulations and policies governing the export and reexport of commodities, software, and technology (collectively “items”) falling under the jurisdiction of the Export Administration Regulations (EAR). The primary goal of BIS is to advance national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership. BIS also enforces anti-boycott laws and coordinates with U.S. agencies and other countries on export control, nonproliferation and strategic trade issues.

BIS is responsible for implementing and enforcing the EAR, which regulate the export and reexport of items with chiefly commercial uses that can also be used in conventional arms, weapons of mass destruction, terrorist activities, or human rights abuses; and less sensitive military items; including “production” and “development” technology.

BIS’s Export Administration reviews license applications for exports, reexports and deemed exports (technology transfers to foreign nationals in the United States) subject to the EAR. Through its Office of Exporter Services, Export Administration also provides information on BIS programs, conducts seminars on complying with the EAR, provides guidance on licensing requirements and procedures, and presents an annual Update Conference on Export Controls and Policy as an outreach program to industry. EA’s Office of Technology Evaluation analyzes U.S. export data on items subject to the EAR, BIS license application data, and global trade information to assess data trends. OTE’s data portal provides excerpts from statistical reports, along with data sets to enable the public to perform analyses of exports and licensing on its own.



U.S. exporters should consult the EAR for information on how export license requirements may apply to the sale of their goods. If necessary, a commodity classification request may be submitted in order to obtain BIS assistance in determining how an item is controlled (i.e., the item's classification) and the applicable licensing policy. Exporters may also request a written advisory opinion from BIS about application of the EAR to a specific situation. Information on commodity classifications, advisory opinions, and export licenses can be obtained through the BIS website at [www.bis.doc.gov](http://www.bis.doc.gov) or by contacting the Office of Exporter Services at the following numbers:

Washington, D.C. Tel: (202) 482-4811 Fax: (202) 482-3322

Western Regional Office Tel: (949) 660-0144 Fax: (949) 660-9347

Further information on export controls is available at:

[Commerce Control List](#)

BIS has developed a [list of "red flags," or warning signs](#), intended to discover possible violations of the EAR.

Also, BIS has "[Know Your Customer](#)" guidance

BIS provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two day seminars and focus on the basics of exporting as well as more advanced topics. [A list of upcoming seminars](#) can be found online.

The EAR does not control all goods, services, and technologies. Other U.S. Government agencies regulate more specialized exports. For example, the U.S. Department of State's Directorate of Defense Trade Controls has authority over defense articles and services. A [list of other agencies involved in export control](#) can be found on the BIS Website or in [Supplement No. 3 to Part 730 of the EAR](#), which is available on the Government Printing Office Web site.

A list that consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available here:

[Consolidated Screening List](#)

## **Temporary Entry**

Goods may be temporarily imported under the [Temporary Import Scheme](#) for a period of six months and for purposes such as repairs, testing and stage performances, auctions, displays, exhibitions or other similar events without the payment of duty and/or GST. A banker's guarantee is required under the Temporary Import Scheme. The temporary imports are covered by a Customs Inward Permit or a Carnet. Goods temporarily imported must be re-exported within the prescribed period using a Customs Outward permit. GST has to be paid if the goods are not subsequently re-exported. The procedures governing such importation can be found online.

### **Admission Temporaire/Temporary Admission (ATA) Carnet**

A foreign exhibitor may import exhibition goods into Singapore using an ATA carnet. When the exhibitor arrives in Singapore, the carnet must be produced together with the goods to Customs at the entry point for verification and endorsement. When goods covered by a carnet are taken out of Singapore, the foreign exhibitor must produce the carnet together with the goods to Customs at the exit point for verification and endorsement. GST will be recovered from the carnet holder on any item that is unaccounted for. For more information on Temporary Importation for Exhibition, Auction and Fairs or Temporary Import Scheme, please contact the following or visit [Singapore Customs](#).

### **Prohibited and Restricted Imports**

Special import licenses are required for certain goods, including strategic items, hazardous chemicals, radioactive materials, films and videos, video games, arms and ammunition, agricultural biotechnology products, food derived from agricultural biotechnology products, medical devices, prescription drugs, over-the-counter drugs, vitamins with very high dosages of certain nutrients, and cosmetics and skin care products. The import of items such as lighters in the shape of pistols or revolvers, firecrackers, handcuffs, shell casings, and silencers is prohibited.

Generally, the import of goods that the government determines as posing a threat to health, security, safety and social decency is controlled. A [full list of prohibited products and controlled goods](#) and their [corresponding controlling agencies](#) can be obtained from the Singapore Customs website.

Companies must make an outward declaration to export or re-export goods out of Singapore. Selected items are subjected to controls on exports of goods from Singapore. Items such as rubber, timber, granite, satellite dishes and receivers, and chlorofluorocarbons are subjected to export control and licensing. Items under export control must be endorsed or licensed by the appropriate government agencies before they can be exported. More information may be obtained via [Singapore Customs](#).

The Strategic Trade Scheme (STS) is an enhanced permit regime that seeks to promote effective internal export control compliance and provide legitimate traders with greater facilitation in permit declarations involving transactions of strategic goods for non-WMD (Weapons of Mass Destruction) related end-use. The STS comprises 3 tiers whereby the level of facilitation and flexibility accorded to a company will be contingent upon the quality of their internal export control compliance program. More information may be obtained in the [Strategic Trade Scheme Handbook](#).

### **Customs Regulations**

In Singapore, valuation for customs purposes is based on the Customs Valuation Code (CVC). The primary basis for customs value is the transaction value of the imported goods when sold for export to Singapore. Where goods are dutiable, ad valorem or specific rates may be applied. An ad

valorem rate, which is most commonly applied, is a percentage of the Customs value of the imported goods. A specific rate is a specified amount per unit of weight of other quantity.

Cost, insurance, freight, handling charges and all other charges incidental to the sale and delivery of the goods are taken into account when the duty is assessed. Exporters are required to ensure that the declared values of goods have not been undervalued or the Customs and Excise Department will increase the values declared. Severe penalties may be imposed on traders attempting to evade duty.

### **Free Trade Zone/Warehouses**

Singapore has three Free Trade Zone (FTZ) authorities, namely PSA Corporation Ltd, Jurong Port Pte Ltd and the Changi Airport Group (Singapore) Pte Ltd. The nine FTZs are Brani Terminal, Keppel Distripark, Pasir Panjang Wharves and Terminal, Sembawang Wharves, Tanjong Pagar Terminal, Keppel Terminal, Jurong Port, Changi Airport Group and the Changi Airport Cargo Terminal Complex. They provide a wide range of facilities and services for storage and re-export of dutiable and controlled goods. Goods can be stored within the zones without any customs documentation until they are released in the market and they can also be processed and re-exported with minimum customs formalities. More information can be obtained via [Singapore Customs](#).

GST is suspended for imported goods deposited in a FTZ and will only be payable upon removal from the FTZ for local consumption. GST is not payable on supply made in FTZ if the goods supplied are meant for transshipment or re-export.

The FTZs at the port facilitate entrepot trade and promote the handling of transshipment cargo. They offer free 72-hour storage for import/export of conventional and containerized cargo and 140-day free storage for transshipment/re-export cargo.

There are many warehouse space options available in Singapore. Some of the more popular ones are located close to the port and within easy reach of the airport and the Jurong industrial hub. These include the Tanjong Pagar, Alexandra and Pasir Panjang distriparks which are home to many established multinationals. The distriparks, in varying designs and sizes cater to Central Distribution Center operators, manufacturers, traders, freight forwarders and others. The [Singapore Customs website maintains a list](#).

## **Standards for Trade**

### **Overview**

As the national quality and standards (QandS) body, SPRING Singapore develops and promotes a robust and internationally-recognized QandS ecosystem in Singapore. This ecosystem enables enterprises to become more efficient, productive and globally competitive. This ecosystem will be a

key pillar of Singapore's future economy helping to transform industries, support emerging areas, enable internationalization and promote good jobs and skills.

To facilitate trade with Singapore's trading partners, SPRING had signed bilateral and multilateral Memoranda of Understanding (MOUs) and Mutual Recognition Arrangements (MRAs) with a number of agencies and governments around the world.

SPRING currently participates in a number of international or regional fora such as the Pacific Area Standards Congress (PASC), Asia Pacific Economic Cooperation Sub-Committee on Standards and Conformance (APEC SCSC), ASEAN Consultative Committee on Standards and Quality (ACCSQ), and Pacific Accreditation Cooperation (PAC). Currently SPRING is not a member of any regional standards developing body.

SPRING also administers the SPRING Business Excellence (BE) Initiative which helps organizations enhance their management systems and processes to improve performance. By adopting the internationally benchmarked BE framework, organizations achieve key certification milestones and can also vie for the prestigious BE awards.

## **Standards**

The Singapore Standardisation Programme is administered by SPRING to develop and promote Singapore Standards and International Standards which are important to Singapore. It establishes and publishes Singapore Standards by announcement in the Government [Gazette](#). SPRING is a member body of the International Organization for Standardization (ISO) and also a member body of the International Electro technical Commission (IEC) through the Singapore National Committee of the IEC.

SPRING facilitates the participation of industry in standards development work through the industry-led Singapore Standards Council. To strengthen its linkages with industry, the Council comprises standards partners or experts from the private and public sectors. The Standards Council approves the publication and withdrawal of Singapore Standards (SSs) and Technical References (TRs). It also oversees Singapore's participation in the development or monitoring of ISO and IEC international standards that are important to Singapore. It currently has 10 Standards Committees (SCs) to lead the development and promotion of standards in various industries or technical fields such as biomedical, building and construction, chemical, electrical and electronic, food, services and management systems. Under the various Standards Committees (SCs), Technical Committees (TCs) and Working Groups (WGs) are established to undertake the preparation and promotion of standards.

Where possible, SPRING promotes the use of international standards. SSs are developed when there are no suitable international standards. SPRING will also adopt standards developed by regional organizations such as CEN, standards developed by national standards bodies such as BSI and standards developed by other standards development organizations such as ASTM if relevant.

## Testing, Inspection and Certification

Singapore Accreditation Council (SAC) is the national authority for the independent accreditation of conformity assessment bodies in Singapore operating under SPRING Singapore, a statutory board of the Ministry of Trade and Industry. SAC is the signatory member for ILAC and IAF. The test certificates from foreign laboratories are accepted if they are endorsed, i.e. they bear the ILAC mark as well as the accreditation body mark of the originating country.

With reference to the Consumer Protection (Safety Requirements) Registration Scheme, U.S.'s UL International is already operating in Singapore, and test products to comply with Singapore's regulatory requirements. U.S. testing laboratories are encouraged to be accredited to ISO/IEC 17025 for testing and ISO/IEC 17065 for product certification to meet various regulatory requirements.

The SAC had signed a number of accreditation related multilateral mutual recognition arrangements (MRAs/MLAs). These include:

- Asia Pacific Laboratory Accreditation Cooperation (APLAC) MRA for testing, calibration, medical (ISO 15189), inspection and proficiency testing providers
- Pacific Accreditation Cooperation (PAC) MLA for quality management system certification, environmental management system, product certification, food safety management system certification and energy management system
- International Accreditation Forum (IAF) MLA for quality management system certification, product certification and food safety management system certification
- International Laboratory Accreditation Cooperation (ILAC) MRA for testing, calibration, medical (ISO 15189) and inspection.

In addition, SPRING had appointed SAC as the Good Laboratory Practice (GLP) Compliance Monitoring Authority in Singapore. In January 2010, Singapore became a Mutual Acceptance of Data (MAD) adherent member of the Organization for Economic Cooperation and Development (OECD). This means that GLP studies conducted in Singapore for the health and safety assessment of chemicals will be accepted in more than 30 OECD and non-OECD member countries.

Singapore operates a MRA on telecom equipment certification with the U.S. The MRA provides for direct entry of telecommunications into either market without the need for additional testing and certification. Under the Asian Pacific Economic Cooperation (APEC) Telecommunications MRA implemented between the U.S. and Singapore, products can be tested and certified in the United States for conformance with Singapore's technical requirements. A list of the recognized U.S. testing and certification agencies can be found at the [Regulations, Licensing, and Consultations page on the website of the Infocomm Media Development Authority](#).

## **Publication of Technical Regulations**

Technical regulations are developed by the relevant government bodies regulating the particular sector or area. For example, for medical devices this would be the Health Sciences Authority and for the building and construction sector this would be the Building and Construction Authority. U.S. companies are advised to approach these agencies to participate in the consultation process in the development of technical regulations. A list of these agencies can be found in the Singapore Government Directory.

## **National Institute of Standards and Technology's (NIST) Notify U.S. Service**

Singapore, as member of the World Trade Organization (WTO) is required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO all proposed technical regulations that could affect trade with other members. You can track Singapore's notification in Notify U.S. a free, web-based e-mail subscription service managed by Commerce's National Institute for Standards and Technology that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets.

## **Contact Information**

### **SPRING Singapore**

2 Fusionopolis Way  
#15-01 Innovis  
Singapore 138634  
Tel: (65) 6278 6666  
Fax: (65) 6250 1096

Ms. CHANG Kwei Fern, Director, Accreditation Division  
Email: [sac@spring.gov.sg](mailto:sac@spring.gov.sg)

Mr. CHEONG Tak Leong, Director, Standards Division  
Email: [standards@spring.gov.sg](mailto:standards@spring.gov.sg)

Mr. Jack TENG, Director, Consumer Protection, Weights and Measures Division  
Email: [safety@spring.gov.sg](mailto:safety@spring.gov.sg)

Mr. Patrick LIM, Director, Business and Service Excellence Division  
Email: [be@spring.gov.sg](mailto:be@spring.gov.sg)

### **Standards contact at Commercial Service, Singapore**

Mr. CHAN Y K, Commercial Specialist  
Email: [Yiukei.Chan@trade.gov](mailto:Yiukei.Chan@trade.gov)

## **Trade Agreements**

As a nation with a small domestic market that depends on imports for food, energy, and industrial raw materials, Singapore places the highest priority on the multilateral trading system embodied by the World Trade Organization (WTO). As a member of the WTO, Singapore believes that the WTO can provide a stable framework for developing sound multilateral rules that ensure that goods and services can flow freely with minimum impediment. The primary objective of Singapore's trade policy is to guard its trading interest by ensuring a free and open international trading environment.

In tandem with its support of the WTO, Singapore advocates that trade efforts are undertaken in the regional context such as APEC (Asia Pacific Economic Cooperation), ASEM (Asia-Europe Meeting) and ASEAN (Association of Southeast Asian Nations) as well as bilateral Free Trade Agreements (FTAs) to accelerate the momentum of trade liberalization and strengthen the multilateral trading system. It has actively pursued a number of legally binding arrangements with trading partners. ASEAN is preparing a roadmap for an ASEAN Economic Community by 2020 that aims to create a single enlarged market of 600 million people.

Singapore has concluded FTAs with the United States, ASEAN, Australia, New Zealand, Hashemite Kingdom of Jordan, China, India, Japan, South Korea, Costa Rica, Panama, Peru, Chile, and New Zealand under the Trans-Pacific SEP (Strategic Economic Partnership) Agreement. FTA negotiations are ongoing with Canada, Mexico, Pakistan and the Ukraine.

For more information, please visit [International Enterprise Singapore](#) and [Free Trade Agreements](#).

## **Licensing Requirements for Professional Services**

**Legal Services:** The Legal Services Regulatory Authority (LSRA) under the Ministry of Law oversees the regulation, licensing, and compliance of all law practice entities and the registration of foreign lawyers in Singapore. Legal firms with a licensed Foreign Law Practice (FLP) may offer the full range of legal services in foreign law and international law, but cannot practice Singapore Law, except in the context of international commercial arbitration. To practice Singapore law, Foreign Law Practices require either a Qualifying Foreign Law Practice (QFLP) license, a Joint Law Venture (JLV) with a Singapore Law Practice (SLP), or a Formal Law Alliance (FLA) with a SLP. The vast majority of Singapore's 130 foreign law firms operate FLPs, while QFLPs, JLVs and FLAs each number in the single digits.

The QFLP licenses allow Foreign Law Practices (FLPs) to practice in permitted areas of Singapore law, which excludes constitutional and administrative law, conveyancing, criminal law, family law, succession law, and trust law. As of March 2017, there are nine QFLPs in Singapore, including five U.S. firms.

A Joint Law Venture is a collaboration between a Foreign Law Practice and Singapore Law Practice, which may be constituted as a partnership or company. The Director of Legal Services in the Legal Services Regulatory Authority (LSRA) will consider all the relevant circumstances including the

proposed structure and its overall suitability to achieve the objectives for which Joint law Ventures are permitted to be established. Currently, there are two U.S. law firms with Joint Law Ventures in Singapore. U.S. and foreign attorneys are allowed to represent parties in arbitration without the need for a Singapore attorney to be present. There is no clear indication on the percentage of shares that each JLV partner may hold in the JLV.

With the exception of law degrees from a handful of designated U.S., British, Australian, and New Zealand universities, no foreign university law degrees are recognized for purposes of admission to practice law in Singapore. Under the USSFTA, Singapore recognizes law degrees from Harvard University, Columbia University, New York University, and the University of Michigan. Singapore will admit to the Singapore professional bar a citizen or permanent-resident law school graduate of those designated universities who are ranked among the top 70% of their graduating class or have obtained lower-second class honors (under the British system). More information on the structure of Singapore's legal service can be found via [Singapore Legal Service](#) and the [Ministry of Law](#).

*Engineering and Architectural Services:* Engineering and architectural firms can be 100% foreign-owned. Engineers and architects are required to register with the [Professional Engineers Board](#) and the [Architects Board](#), respectively, to practice in Singapore. All applicants (both local and foreign) must have at least four years of practical experience in engineering or architectural works, and pass written and oral examinations set by the respective Board.

*Accounting and Tax Service:* The major international accounting firms operate in Singapore. Registration as a public accountant is required for appointment as an auditor of financial statements in Singapore, although registration as a public accountant is not required to provide other accountancy services, such as accounting, tax, and corporate advisory work. All entities that provide public accountancy services must be under the control and management of partner(s) who are public accountants residing in Singapore. If the firm has two partners, at least one must be a public accountant. If the firm has more than two partners, two-thirds of the partners must be public accountants residing in Singapore. Only public accountants who are members of the Institute of Singapore Chartered Accountants (ISCA) of Singapore and registered with Accounting and Corporate Regulatory Authority may practice in Singapore. More information can be found at [ACRA website](#).

## **Web Resources**

[Accounting and Corporate Regulatory Authority \(ACRA\)](#)

[Agri-Food and Veterinary Authority of Singapore \(AVA\)](#)

[Agency for Science, Technology and Research \(A\\*STAR\)](#)

[ASEAN](#)

[Board of Architects](#)



Building and Construction Authority of Singapore

Civil Aviation Authority of Singapore (CAAS)

Consumer Association of Singapore (CASE)

Consumer Protection (Safety Requirements) Registration Scheme

Economic Development Board Singapore (EDB Singapore)

Energy Market Authority (EMA)

Enterprise One

Hotel Licensing Board (HLB)

Health Sciences Authority

Institute of Certified Public Accountants

Infocomm Development Authority of Singapore (IDA Singapore)

International Enterprise Singapore (IE Singapore)

Intellectual Property Office of Singapore (IPOS)

International Revenue Authority of Singapore (IRAS)

Information Technology Standards Committee

List of the recognized U.S. testing and certification agencies

Ministry of Defence

Ministry of Education

Ministry of Environment and Water Resources

Ministry of Finance

Ministry of Health

Ministry of Law

Ministry of Trade and Industry

Monetary Authority of Singapore (MAS)

National Environment Agency (NEA)

National Institute of Standards and Technology (NIST)

Professional Engineers Board

Singapore Accreditation Centre

Singapore Customs

Singapore Standards eShop

Spring Singapore (Singapore Productivity and Innovation for Growth)

## **Investment Climate Statement**

### **Executive Summary**

Singapore maintains an open, heavily trade-dependent economy, characterized by a predominantly open investment regime, with strong government commitment to maintaining a free market and playing an active management role in Singapore's economic development. In identifying attractive features of Singapore's business and investment climate, U.S. companies cite transparency and lack of corruption, business-friendly laws and regulations, tax structure, customs facilitation, and well-developed infrastructure. The World Bank's 2017 Doing Business report ranked Singapore as the world's second-easiest country in which to do business. The Global Competitiveness Report 2016-2017 by the World Economic Forum ranked Singapore as the second-most competitive economy globally. Singapore typically ranks as the least corrupt country in Asia and one of the least corrupt in the world, and actively enforces its robust anti-corruption laws. The country's high ranking in various international indices is also reflected in the decision of many multinational and foreign firms to choose Singapore as their headquarters for the Asia-Pacific region. The U.S.-Singapore Free Trade Agreement (USSFTA), which came into force on January 1, 2004, expanded U.S. market access in goods, services, investment, and government procurement, enhanced intellectual property protection, and provided for cooperation in promoting labor rights and environmental protections.

U.S. direct investment in Singapore in 2015 reached USD \$228.7 billion, primarily in non-bank holding companies, manufacturing (especially computers and electronic products), and finance and insurance – an increase of 10.5 percent from the previous year.

Singapore continues to strengthen its anti-money laundering/counter-terrorism financing regulatory framework, and established an anti-money laundering unit within the Monetary Authority of Singapore in November 2016. Singapore is also in the process of implementing Organisation for Economic Co-operation and Development (OECD) standards to counter tax evasion, aligning its tax system with OECD Base Erosion and Profit Shifting project guidelines, and implementing disclosure requirements in line with Common Reporting Standards on automatic exchange of information from January 2017.

In recent years, the government has tightened policies restricting the number of foreign workers in favor of employment of Singaporean nationals. The Ministry of Manpower introduced measures in 2016 to put companies on a watch list and suspend work pass privileges for firms found not to have a “healthy Singaporean core.” As of March 2017, approximately 250 companies have been placed on the watch list.

*Table 1*

Measure	Year	Index/Rank	Website Address
<b>TI Corruption Perceptions Index</b>	2016	7 of 175	<a href="#"><u>Transparency International</u></a>
<b>World Bank’s Doing Business Report “Ease of Doing Business”</b>	2017	2 of 190	<a href="#"><u>World Bank</u></a>
<b>Global Innovation Index</b>	2016	6 of 128	<a href="#"><u>Global Innovation Index</u></a>
<b>U.S. FDI in Partner Country (\$M USD, stock positions)</b>	2015	USD228,666	<a href="#"><u>BEA</u></a>
<b>World Bank GNI Per Capita</b>	2015	USD52,090	<a href="#"><u>World Bank</u></a>

## **Openness To, and Restrictions Upon, Foreign Investment**

### **Policies Towards Foreign Direct Investment**

Singapore maintains a heavily trade-dependent economy. It is characterized by an open investment regime, with some restrictions in the financial services, professional services, and media sectors. The World Bank's Doing Business 2017 report ranked Singapore as the world's second-easiest country in which to do business after New Zealand. The 2016-2017 Global Competitiveness Report ranks Singapore as the second-most competitive economy globally. The 2004 U.S.-Singapore Free Trade Agreement (USSFTA) expanded U.S. market access in goods, services, investment, and government procurement, enhanced intellectual property protection, and provided for cooperation in promoting labor rights and the environment.

The Government of Singapore (GOS) is strongly committed to maintaining a free market, but it also takes a leadership role in actively planning Singapore's economic development, including through an extensive network of government-linked corporations (GLCs). As of February 2016, the top four Singapore-listed GLCs accounted for about 13.7 percent of total capitalization of the national stock exchange, the Singapore Exchange (SGX). Some observers have criticized the dominant role of GLCs in the domestic economy, arguing that it has displaced or suppressed private sector entrepreneurship and investment.

Singapore's legal framework and public policies are generally favorable toward foreign investors. Foreign investors are not required to enter into joint ventures or cede management control to local interests, and local and foreign investors are subject to the same basic laws. Apart from regulatory requirements in some sectors detailed below in this section, the government screens investment proposals with the purpose of determining eligibility for various incentive regimes. Singapore places no restrictions on reinvestment or repatriation of earnings or capital. The judicial system, which includes international arbitration and mediation centers and a commercial court, upholds the sanctity of contracts, and decisions are transparent and effectively enforced.

Exceptions to Singapore's general openness to foreign investment exist in telecommunications, broadcasting, the domestic news media, financial services, legal and accounting services, ports and airports, and property ownership. Under Singapore law, Articles of Incorporation may include shareholding limits that restrict ownership in corporations by foreign persons.

### *Telecommunications*

Since 2000, the implementation of the Telecoms Competition Code has allowed foreign and domestic companies seeking to provide facilities-based (fixed line or mobile) or services-based (local, international, and callback) telecommunications services to apply for licenses to operate and deploy telecommunication systems and services. Singapore Telecommunications (SingTel) -- a GLC which is currently 51 percent owned by Temasek Holdings (Temasek), a state-owned holding company with the Singapore Minister for Finance as its sole shareholder - faces competition in all market segments. However, its main competitors, M1 and StarHub, are also GLCs. In December 2016, Australian telco TPG Telecom became the first foreign-based mobile network operator and non-GLC to be awarded spectrum rights to provide nationwide mobile coverage. As of February 2017, Singapore has 65 facilities-based (group) and 257 services-based (individual) operators.

Since 2007, SingTel has been exempted from dominant licensee obligations for the residential and commercial portions of the retail international telephone services. SingTel is also exempted from dominant licensee obligations for wholesale international telephone services, international managed data, international IP transit, leased satellite bandwidth, terrestrial international private leased circuit, and backhaul services.

In April 2017, Singapore held a General Spectrum Auction for mobile airwaves, the largest such auction in 16 years, to allocate additional blocks of spectrum to accommodate increasing demand for mobile data services. Telcos Singtel, Starhub, M1, and TPG paid a combined total of USD \$1.1 billion (SGD \$1.6 billion) in this heavily-bid auction for additional frequency bands, many of which were previously used for 2G services, which will be shut down in Singapore in April 2017. GOS will use the auction proceeds to assist infocomm media companies to go digital and for workforce training.

Citing the convergence of the information and communication technology (ICT) and media sectors, combined with a desire to expand the reach of the digital economy to more people, the Infocomm Development Authority of Singapore (IDA) and the Media Development Authority of Singapore (MDA) were restructured to become the Info-communications Media Development Authority (IMDA) and the Government Technology Organization (GTO) in November 2016. IMDA will conduct industry regulation and promotion activities for the info-communication and media sectors, while GTO will be the tech agency to implement government digital initiatives. In March 2017, it was announced that GTO will be placed under a new division in the Prime Minister's Office, the Smart Nation and Digital Government Office (SNDGO).

IMDA conducts public consultations on major policy reviews and provides decisions and grounds on policy changes to companies concerned.

### *Media*

The local free-to-air broadcasting, cable, and newspaper sectors are effectively closed to foreign firms. Section 44 of the Broadcasting Act restricts foreign equity ownership of companies broadcasting to the Singapore domestic market to 49 percent or less, although the Act does allow for exceptions. Individuals cannot hold more than five percent of the ordinary shares issued by a broadcasting company without the government's prior approval. The Newspaper and Printing Presses Act restricts equity ownership (local or foreign) to five percent per shareholder and requires that directors be Singapore citizens. Newspaper companies must issue two classes of shares, ordinary and management, with the latter available only to Singapore citizens or corporations approved by the government. Holders of management shares have an effective veto over selected board decisions.

Singapore comprehensively regulates content across all major media outlets. The government also controls the distribution, importation and sale of any foreign newspaper, and significantly restricts freedom of the press, having curtailed or banned the circulation of some foreign publications. Singapore's leaders have also brought defamation suits against foreign publishers. Such suits have resulted in the foreign publishers issuing apologies and paying damages. Seventeen publications remain prohibited under the Undesirable Publications Act, which restricts the import, sale and

circulation of publications that the Government considers contrary to public interest. Examples include pornographic magazines and publications by banned religious groups.

Singaporeans generally face few restrictions on the internet. However, IMDA has blocked various websites containing objectionable material, such as pornography and racist and religious hatred sites. Online news websites which report regularly on Singapore and have a significant reach are individually licensed, which requires these sites to submit a bond of USD \$40,000 (SGD \$50,000) and to adhere to new requirements to remove prohibited content within 24 hours of notification from IMDA. Some view this regulation as a way to censor online critics of the government. In a high-profile case in 2016, the government charged and sentenced to 10 months imprisonment a foreign operator of an online media news site for sedition on the grounds of generating ill-will and hostility.

MCI announced in January 2017 that the Broadcasting Act, which covers licensing, ownership, and content regulation, of broadcasting companies, services, facilities and equipment, will be reviewed in 2017. MCI indicated that the review will focus on content regulation of overseas content providers to ensure that content is in line with community values and that ratings on streaming sites are in line with Singapore norms. GOS has pledged to consult businesses and the public on any proposed changes.

#### *Pay-Television*

MediaCorp TV is the only free-to-air TV broadcaster; the government via Temasek owns 100 percent of it. Pay-TV providers StarHub Cable Vision (SCV) and SingNet are wholly-owned subsidiaries of StarHub and SingTel, respectively. Free-to-air radio broadcasters are mainly government-owned, with MediaCorp Radio Singapore being the largest operator. BBC World Services is the only foreign free-to-air radio broadcaster in Singapore.

To rectify the high degree of content fragmentation in the local pay-TV market, and to shift the focus of competition from an exclusivity-centric strategy to other aspects such as service differentiation and competitive packaging, the MDA implemented cross-carriage measures in 2011 requiring pay TV companies designated by MDA to be Receiving Qualified Licensees (RQL) – currently SingTel and StarHub -- to cross carry content subject to exclusive carriage provisions. Correspondingly, Supplying Qualified Licensees (SQLs) with an exclusive contract for a channel are required to share that content with other pay TV companies. Content providers consider the measures an unnecessary interference in a competitive market that would deny content holders the ability to negotiate freely in the marketplace, and an interference with their ability to manage and protect their intellectual property. More common content is now available across the different pay-TV platforms, and the operators are beginning to differentiate themselves by originating their own content, offering subscribed content online via PCs and tablet computers, and delivering content via fiber networks.

#### *Banking*

The Monetary Authority of Singapore (MAS) regulates all banking activities as provided for under the Banking Act. Singapore maintains legal distinctions between foreign and local banks, and the type of license (i.e., full service, wholesale, and offshore) held by foreign commercial banks. As of March 2017, 29 foreign full service licensees, 57 wholesale licensees, and 37 offshore licensees

operated in Singapore. An additional 32 merchant banks are licensed to conduct corporate finance, investment banking and other fee-based activities. Offshore and wholesale banks are not allowed to operate Singapore Dollar (SGD) retail banking activities. Full banks may provide the whole range of banking business, but are subject to restrictions on the number of places of business, ATMs and ATM networks. Additional “Qualifying Full Bank” (QFB) licenses may be granted to a subset of full banks, which provides greater branching privileges and greater access to the retail market than other full banks. As of March 2017, there are 8 banks operating QFB licenses.

Except in retail banking, Singapore laws do not distinguish operationally between foreign and domestic banks. However, all banks in Singapore are required to maintain a Domestic Banking Unit (DBU) and an Asian Currency Unit (ACU), separating international and domestic banking operations from each other. Transactions in Singapore dollars can be booked only in the DBU whereas transactions in foreign currency are typically booked in the ACU. The ACU is an accounting unit, which the banks use to book all their foreign currency transactions conducted in the Asian Dollar Market (ADM). This enables additional prudential requirements to be imposed on bank's domestic businesses in Singapore, while at the same time, avoiding undue restrictions on the offshore activities of banks. In September 2015, MAS concluded a consultation round which proposed for the removal of the requirement for two distinct accounting units as well as changes in the associated regulatory framework. No formal policy announcements following the recommendations have been made.

The government initiated a banking liberalization program in 1999 to ease restrictions on foreign banks and has supplemented this with phased-in provisions under the USSFTA, including removal of a 40-percent ceiling on foreign ownership of local banks and a 20-percent aggregate foreign shareholding limit on finance companies. The Minister in charge of the Monetary Authority of Singapore must approve the merger or takeover of a local bank or financial holding company, as well as the acquisition of voting shares in such institutions above specific thresholds of 5 percent, 12 percent or 20 percent of shareholdings. Although the GOS has lifted the formal ceilings on foreign ownership of local banks and finance companies, the approval of controllers of local banks ensures that this control rests with individuals or groups whose interests are aligned with the long term interests of the Singapore economy and Singapore's national interests. Of the 29 full service licenses granted to foreign banks, four have gone to U.S. banks. U.S. financial institutions enjoy phased-in benefits under the USSFTA. Since 2006, U.S.-licensed full service banks that are also QFBs have been able to operate at an unlimited number of locations (branches or off-premises ATMs) versus 25 for non-U.S. full service foreign banks with QFB status. U.S. and foreign full-service banks with QFB status can freely relocate existing branches and share ATMs among themselves. They can also provide electronic funds transfer and point-of-sale debit services, and accept services related to Singapore's compulsory pension fund. In 2007, Singapore lifted the quota on new licenses for U.S. wholesale banks.

Locally and non-locally incorporated subsidiaries of U.S. full-service banks with QFB status can apply for access to local ATM networks. However, no U.S. bank has come to a commercial agreement to gain such access. Despite liberalization, U.S. and other foreign banks in the domestic retail banking sector still face barriers. Under the enhanced QFB program launched in 2012, MAS

will require QFBs it deems systemically significant to incorporate locally. If those locally incorporated entities are deemed “significantly rooted” in Singapore, with a majority of Singaporean or permanent resident members, Singapore may grant approval for an additional 25 places of business, of which up to 10 may be branches. Local retail banks do not face similar constraints on customer service locations or access to the local ATM network. As noted above, U.S. banks are not subject to quotas on service locations under the terms of the USSFTA. Holders of credit cards issued locally by foreign banks or other financial institutions sometimes cannot access their accounts through the local ATM networks. They are also unable to access their accounts for cash withdrawals, transfers or bill payments at ATMs operated by banks other than those operated by their own bank or at foreign banks' shared ATM network. Nevertheless, full-service foreign banks have made significant inroads in other retail banking areas, with substantial market share in products like credit cards and personal and housing loans.

In February 2017, MAS announced upcoming regulatory changes under the Finance Companies Act to enhance finance companies' role in small and medium enterprise (SME) financing. This includes relaxation of business restrictions on payment and banking services, easing of loan limits, and liberalization of shareholding policy. MAS will liberalize its existing policy of not allowing a foreign takeover of a finance company. This will accord finance companies greater flexibility to explore strategic partnerships and innovative business models that can strengthen their SME financing business, including with foreign partners. MAS is prepared to consider an application for a merger or acquisition, if the prospective merger partner or acquirer commits to maintaining SME financing as a core business of the finance company. In addition, the merger partner or acquirer must be able to demonstrate expertise in SME financing and present proposals to enhance the finance company's SME lending activities with new technologies, methodologies or business models.

There are two MAS-recognized consumer credit bureaus in Singapore, Credit Bureau (Singapore) Pte Ltd and DP Credit Bureau Pte Ltd.

Singapore has no trading restrictions on foreign-owned stockbrokers. There is no cap on the aggregate investment by foreigners regarding the paid-up capital of dealers that are members of the SGX. Direct registration of foreign mutual funds is allowed, provided MAS approves the prospectus and the fund. The USSFTA has relaxed conditions that foreign asset managers must meet in order to offer products under the government-managed compulsory pension fund (Central Provident Fund Investment Scheme).

### *Legal Services*

The Legal Services Regulatory Authority (LSRA) under the Ministry of Law oversees the regulation, licensing, and compliance of all law practice entities and the registration of foreign lawyers in Singapore. Legal firms with a licensed Foreign Law Practice (FLP) may offer the full range of legal services in foreign law and international law, but cannot practice Singapore Law, except in the context of international commercial arbitration. To practice Singapore law, Foreign Law Practices require either a Qualifying Foreign Law Practice (QFLP) license, a Joint Law Venture (JLV) with a Singapore Law Practice (SLP), or a Formal Law Alliance (FLA) with a SLP. The vast majority of Singapore's 130 foreign law firms operate FLPs, while QFLPs, JLVs and FLAs each number in the single digits.



The QFLP licenses allow Foreign Law Practices (FLPs) to practice in permitted areas of Singapore law, which excludes constitutional and administrative law, conveyancing, criminal law, family law, succession law, and trust law. As of March 2017, there are nine QFLPs in Singapore, including five U.S. firms.

A Joint Law Venture is a collaboration between a Foreign Law Practice and Singapore Law Practice, which may be constituted as a partnership or company. The Director of Legal Services in the Legal Services Regulatory Authority (LSRA) will consider all the relevant circumstances including the proposed structure and its overall suitability to achieve the objectives for which Joint law Ventures are permitted to be established. Currently, there are two U.S. law firms with Joint Law Ventures in Singapore. U.S. and foreign attorneys are allowed to represent parties in arbitration without the need for a Singapore attorney to be present. There is no clear indication on the percentage of shares that each JLV partner may hold in the JLV.

With the exception of law degrees from a handful of designated U.S., British, Australian, and New Zealand universities, no foreign university law degrees are recognized for purposes of admission to practice law in Singapore. Under the USSFTA, Singapore recognizes law degrees from Harvard University, Columbia University, New York University, and the University of Michigan. Singapore will admit to the Singapore professional bar- a citizen or permanent-resident law school graduates of those designated universities who are ranked among the top 70 percent of their graduating class or have obtained lower-second class honors (under the British system).

#### *Engineering and Architectural Services*

Engineering and architectural firms can be 100 percent foreign-owned. Engineers and architects are required to register with the Professional Engineers Board and the Architects Board, respectively, to practice in Singapore. All applicants (both local and foreign) must have at least four years of practical experience in engineering or architectural works, and pass written and oral examination set by the respective Board.

#### *Accounting and Tax Services*

The major international accounting firms operate in Singapore. Registration as a public accountant is required for appointment as an auditor of financial statements in Singapore, although registration as a public accountant is not required to provide other accountancy services, such as accounting, tax and corporate advisory work. All entities that provide public accountancy services must be under the control and management of partner(s) who are public accountants residing in Singapore. If the firm has two partners, at least one must be a public accountant. If the firm has more than two partners, two-thirds of the partners must be public accountants residing in Singapore. Only public accountants who are members of the Institute of Singapore Chartered Accountants (ISCA) of Singapore and registered with Accounting and Corporate Regulatory Authority may practice in Singapore.

#### *Energy*

Singapore completed efforts to liberalize its gas market with the amendment of the Gas Act and implementation of a Gas Network Code in 2008, which were designed to give gas retailers and importers direct access to the onshore gas pipeline infrastructure. However, key parts of the local

gas market, such as town gas retailing, domestic gas pipelines and access to offshore gas pipelines, remain controlled by incumbent Singaporean firms. Singapore has sought to grow its supply of Liquefied Natural Gas (LNG), and BG Singapore Gas Marketing Pte Ltd (acquired by Royal Dutch Shell in February 2016) was appointed in 2008 as the first aggregator with an exclusive franchise to import LNG to be sold in its re-gasified form in Singapore.

#### Limits on Foreign Control and Right to Private Ownership and Establishment

Foreign and local entities may readily establish, operate, and dispose of their own enterprises in Singapore, and there is no overarching screening process for foreign investment. A foreigner who wants to set up a company in Singapore is required to appoint a locally resident director. The foreigner can continue to reside outside Singapore. Foreigners who wish to incorporate a company and be present in Singapore to manage its operations are strongly advised to seek approval from the Ministry of Manpower (MOM) before registration. Except for representative offices (where foreign firms maintain a local representative but do not conduct commercial transactions in Singapore), there are no restrictions on carrying out remunerative activities.

GOS maintains close and continuous engagement with investors through the Economic Development Board (EDB), which includes specialized offices within four clusters (consumer, engineering, enterprise, and new businesses) across multiple sectors. EDB is the lead investment promotion agency that facilitates foreign investment into Singapore, assists companies in setting up business in Singapore, and provides incentives including grants, allowances, awards, tax exemptions, and reduced tax rates for investments in certain sectors or categories (Future Ready Singapore).

There are no general, economy-wide limits on foreign ownership or control. All businesses in Singapore must be registered with the Accounting and Corporate Regulatory Authority. Foreign investors can operate their businesses in one of the following forms: sole proprietorship, limited partnership, limited liability partnership, incorporated company, foreign company branch or representative office. Stricter disclosure requirements were passed in March 2017 which require foreign companies registered in Singapore to maintain public registers of their members, while locally incorporated and foreign companies will be required to maintain registers of controllers (individuals or legal entities with more than 25 percent interest or control of the company), aimed at preventing money laundering.

Exceptions to Singapore's general openness to foreign investment exist in telecommunications, broadcasting, the domestic news media, financial services, legal services, public accounting services, ports and airports, and property ownership. Under Singapore law, Articles of Incorporation may include shareholding limits that restrict ownership in corporations by foreign persons.

#### Other Investment Policy Reviews

Singapore underwent a trade policy review with the World Trade Organization (WTO) in July 2016. No major policy recommendations were raised. This is its only investment policy review in the past three years. Additional information on the review is available on the WTO website.

## Business Facilitation

Singapore's online business registration process is clear and efficient, and allows foreign companies to register. All businesses must be registered with the Accounting & Corporate Regulatory Authority (ACRA) through the website, including any individual, firm or corporation that carries out business for a foreign company. Applications are typically processed immediately after the application fee is paid, but may take between 14 days to 2 months if the application needs to be referred to another agency for approval or review. The process of establishing a foreign-owned limited liability company (LLC) in Singapore is among the fastest of the countries surveyed by IAB and the fastest among IAB countries in the East Asia and the Pacific region. A step-by-step guide to registering a business or company in Singapore is provided at the SME Portal (formerly known as the EnterpriseOne Portal). Additional information on registering a branch of a foreign company is available through the Singapore's EDB.

Foreign companies may lease or buy privately or publicly held land in Singapore, though there are some restrictions on foreign ownership of property. Foreign companies are free to open and maintain bank accounts in foreign currency. There is no minimum paid-in capital requirement, but at least 1 subscriber share must be issued for valid consideration at incorporation.

The International Arbitration Act (IAA) regulates international arbitration in Singapore. Domestic arbitration is regulated by the Arbitration Act (AA). The IAA is heavily based on the United Nations Commission on International Trade Law (UNCITRAL) Model Law, although with a few significant differences. Arbitration agreements must be in writing, and oral agreements and arbitration agreements that can be inferred through conduct are not enforceable. The Singapore International Arbitration Centre is the major arbitral institution and its increasing caseload reflects Singapore's policy of encouraging the use of alternative modes of dispute resolution, including arbitration. On average, it takes around 8 weeks to enforce an arbitration award rendered in Singapore, from filing an application to a writ of execution attaching assets (assuming there is no appeal), and 7 weeks for a foreign award.

## Outward Investment

Singapore places no restrictions on domestic investors investing abroad. The host government promotes outward investment through International Enterprise (IE) Singapore, a statutory board under the Ministry of Trade and Industry. It provides market information, business contacts, and financial assistance and grants for internationalizing companies. While it has a global reach and runs overseas centers in major cities across the world, a large share of its overseas centers are located in major trading and investment partners and regional markets like China, India and the nine other countries in the Association of Southeast Asian Nations (ASEAN) region.

## Bilateral Investment Agreements and Taxation Treaties

Singapore has 35 bilateral investment treaties (BIT) currently in force. These agreements mutually protect nationals or companies of either economy against war and non-commercial risks of expropriation and nationalization. It has signed an additional eight BITs which have yet to be implemented.

Singapore has 12 bilateral and 9 regional free trade agreements (FTA) currently in force. Singapore has signed free trade/economic cooperation agreements that include investment chapters with Australia, China, the European Free Trade Association (Switzerland, Norway, Lichtenstein, and Iceland), India, Japan, New Zealand, Panama, Peru, South Korea, Costa Rica, the United States, and Chinese Taipei. Singapore also has agreements with Jordan and the Gulf Cooperation Council (comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), but these agreements do not contain investment chapters. Singapore is a member of ASEAN and the ASEAN Free Trade Area, which has in force FTAs with Australia and New Zealand, China, India, South Korea, and a Comprehensive Economic Partnership Agreement with Japan. Singapore also has a Trans-Pacific Strategic Economic Partnership Agreement with Brunei, Chile, and New Zealand.

Singapore has completed negotiations with the European Union and Turkey and is negotiating FTAs with Canada, Mexico, Pakistan, Ukraine, and Sri Lanka. ASEAN is currently negotiating FTA extensions with India and Japan to cover services and investments, as well as the Regional Comprehensive Economic Partnership (RCEP), which includes ASEAN members plus Australia, China, India, Japan, New Zealand, and South Korea.

Singapore has signed Avoidance of Double Taxation Agreements with 82 countries, but not with the United States. U.S. financial regulations do not restrict foreign banks' ability to hold accounts for U.S. citizens. Anecdotal evidence suggests, however, that U.S. citizens may be constrained in their ability to open bank accounts at some institutions, as some Americans have been turned away by banks, or required to meet a higher deposit threshold, reportedly as a result of the additional reporting requirements associated with the U.S. Foreign Account Tax Compliance Act (FATCA) and other U.S. financial regulations. The U.S. Embassy routinely encounters U.S. citizens with complaints about difficulty in opening accounts or not being allowed to open accounts. There have also been cases of U.S. citizens with existing accounts who have been asked by their banks to close them. U.S. citizens are encouraged to alert the nearest U.S. Embassy of any practices they encounter with regard to the provision of financial services. No other tax disputes have been reported.

Recent major changes to the tax regime include the implementation of OECD's Common Reporting Standards (CRS), as well as updates to tax incentives and regimes in line with Base Erosion and Profit Shifting minimum standards. Under the CRS, which has been in effect since January 1, 2017, Singapore-based Financial Institutions are required to establish the tax residency status of all their account holders, collect and retain CRS information for all non-Singapore tax residents in the case of new accounts, and report to tax authorities the financial account information of account holders who are tax residents of jurisdictions with which Singapore has a Competent Authority Agreement (CAA) to exchange the information. This will facilitate the automatic exchange of information between Singapore and CAA partners on account numbers, account holder details, account balances on reportable accounts, as well as details of interest, earnings, and proceeds from asset disposals on custodian accounts. As of March 15, 2017, Singapore has concluded 20 bilateral CAAs, but is not a signatory to the Multilateral Competent Authority Agreement.

## Legal Regime

### Transparency of the Regulatory System

The government establishes clear rules that foster competition and the U.S.-Singapore FTA enhances transparency by requiring regulatory authorities to consult with interested parties before issuing regulations, and to provide advance notice and comment periods for proposed rules, as well as to publish all regulations. Singapore's legal, regulatory, and accounting systems are transparent and consistent with international norms.

Notices of proposed legislation to be considered by Parliament are published, including the text of the laws, the dates of the readings, and whether or not the laws eventually pass. The government has established a centralized Internet portal ([www.reach.gov.sg](http://www.reach.gov.sg)) to solicit feedback on selected draft legislation and regulations, a process that is being used with increasing frequency. There is no stipulated consultative period, but public consultations typically last for four weeks, with results usually consolidated and published on relevant websites. As noted in the "Openness to Foreign Investment" section, some U.S. companies, in particular, in the telecommunications and media sectors, are concerned about the government's lack of transparency in its regulatory and rule-making process. These mechanisms also apply to investment laws and regulations.

The Parliament of Singapore website publishes a database of all bills introduced, read and passed in Parliament in chronological order, from 2006. The contents are the actual draft texts of the proposed legislation/legislative amendments. However, there is no centralized online location where key regulatory actions are published. Regulatory actions are published separately on websites of Statutory Boards.

Industry self-regulation occurs in several areas, including advertising and in corporate governance. Advertising Standards Authority of Singapore (ASAS), an advisory council under the Consumers Association of Singapore, administers the Singapore Code of Advertising Practice, which focuses on ensuring that advertisements are legal, decent and truthful. Singapore has a private sector-led Council on Corporate Disclosure and Governance to implement the country's Code of Corporate Governance. Compliance with the Code is not mandatory but listed companies are required under the Singapore Exchange Listing Rules to disclose their corporate governance practices and give explanations for deviations from the Code in their annual reports. The stock exchange, SGX, plays the role of a self-regulatory organization (SRO) in listings, market surveillance, and member supervision to uphold the integrity of the market and ensure participants' adherence to trading and clearing rules. There have been no reports of discriminatory practices aimed at foreign investors.

Rule-making authority is vested in the Parliament to pass laws that determine the regulatory scope, purpose, rights and powers of the regulator and the legal framework for the industry. Regulatory authority is vested in Government Statutory Boards, which are organizations that have been given autonomy to perform an operational function by legal statutes passed as Acts in parliament, and report to a specific Ministry. Local laws give regulatory bodies' wide discretion to modify regulations and impose new conditions, but in practice agencies use this positively to adapt incentives or other services on a case-by-case basis to meet the needs of foreign as well as domestic

companies. Acts of Parliament also confer certain powers on a Minister or other similar persons or authorities to make rules or regulations in order to put the Act into practice, and are known as subsidiary legislation. Singapore's legal and accounting procedures are transparent and consistent with international norms, and they rank highly in international comparisons ([World Justice Project](#)). Singapore's prescribed accounting standards (Financial Reporting Standards or FRS) are aligned with those of the International Accounting Standards Board. Companies can deviate from these standards when required to present a true and fair set of financial statements. Singapore-incorporated, publicly-listed companies can use certain alternative standards such as International Accounting Standards (IAS) or the U.S. Generally Accepted Accounting Principles (U.S. GAAP) if they are listed on foreign stock exchanges that require these standards. They do not need to reconcile their accounts with FRS. All other Singapore-incorporated companies must use FRS unless the Accounting and Corporate Regulatory Authority exempts them.

### International Regulatory Considerations

Singapore is part of ASEAN, which is working towards the 2025 ASEAN Economic Community (AEC) blueprint aimed at achieving a single market and production base, with a free flow of goods, services, and investment within the region. While ASEAN is working towards regulatory harmonization, no regional regulatory systems are planned or in place, and agreements and regulations are enacted through national regulatory systems.

WTO's 2016 trade policy review notes that Singapore's guiding principle for standardization is to align national standards with international standards, and is an elected member of the ISO and IEC Councils. Singapore encourages the direct use of international standards whenever possible. Singapore Standards (SS) are developed when there is no appropriate international standard equivalent, or when there is a need to customize standards to meet domestic requirements. As at end-2015, Singapore had a stock of 553 SS, about 40 percent of which were references to international standards. SPRING Singapore, the Agri-Food and Veterinary Authority and the Ministry of Trade and Industry are the three national enquiry points under the TBT Agreement. There are no known reports of omissions in reporting to TBT.

A non-exhaustive list of major international norms and standards referenced or incorporated into the country's regulatory systems include Base Erosion and Profit Shifting (BEPs) project, Common Reporting Standards (CRS), Basel III, EU Dual-Use Export Control Regulation, 27 International Labor Organization (ILO) conventions on labor rights and governance, UN conventions, and WTO Agreements.

### Legal System and Judicial Independence

Singapore's legal system has its roots in English common law and practice, and is enforced by courts of law. The current judicial process is procedurally competent, fair and reliable. In the 2016 Rule of Law Index by World Justice Project, it is ranked overall ninth in the world, ranked first on order and security and regulatory enforcement, second in absence of corruption, fourth on civil and criminal justice, 20<sup>th</sup> on constraints on government powers, 24<sup>th</sup> on open government, and 36<sup>th</sup> on fundamental rights. Singapore's legal procedures are ranked second in the world in World Bank's 2016 Ease of Doing Business contract enforcement sub-index measuring speed, cost, and quality of

judicial processes. The judicial system remains independent of the executive branch and the executive does not interfere in judiciary matters.

### Laws and Regulations on Foreign Direct Investment

Singapore strives to promote an efficient, business-friendly regulatory environment. Tax, labor, banking and finance, industrial health and safety, arbitration, wage and training rules and regulations are formulated and reviewed with the interests of both foreign investors and local enterprises in mind. Starting in 2005, a Rules Review Panel, comprising senior civil servants, began overseeing a review of all rules and regulations; this process will be repeated every five years. A Pro-Enterprise Panel of high-level public sector and private sector representatives examines feedback from businesses on regulatory issues and provides recommendations to the government.

Major legislative amendments over the past year include amendments to the Companies Act and Limited Liability Partnerships Act, which went with effect in March 2017, aimed at improving transparency, reducing the regulatory burdens of business, and improving debt restructuring processes in Singapore. The Judicial Management (bankruptcy proceedings) process has been tweaked to allow companies to apply for judicial management when the company is unlikely to pay its debts; the Court will be given an overriding power to grant a judicial management order even if a secured creditor objects, and additional rescue financing provisions will be included

The Monetary Authority of Singapore (MAS) has also tightened enforcement of money laundering provisions. It set up an anti-money laundering unit in November 2016, and has stepped up enforcement and pressed unprecedented jail terms on private bankers associated with the 1Malaysia Development Bhd (1MDB) case. MAS also fined several banks for lapses in internal controls, and ordered the closure of Falcon Bank and BSI bank, which were closely associated with the transactions.

### Competition and Anti-Trust Laws

The Competition Commission of Singapore (CCS) is a statutory board under the Ministry of Trade and Industry and is tasked to administer and enforce the Competition Act. The Act contains provisions on anti-competitive agreements, decisions, and practices; abuse of dominance; enforcement and appeals process; and mergers and acquisitions. The Competition Act was enacted in 2004 in accordance with the U.S-Singapore FTA commitments, which contains specific conduct guarantees to ensure that Singapore's government-linked corporations (GLCs) will operate on a commercial and non-discriminatory basis towards U.S. firms. GLCs with substantial revenues or assets are also subject to enhanced transparency requirements under the FTA.

### Expropriation and Compensation

Singapore has not expropriated foreign owned property and has no laws that force foreign investors to transfer ownership to local interests. Singapore has signed investment promotion and protection agreements with a wide range of countries. These agreements mutually protect nationals or companies of either country against war and non-commercial risks of expropriation and nationalization for an initial period of 15 years and continue thereafter unless otherwise terminated. The USSFTA contains strong investor protection provisions relating to expropriation of

private property and the need to follow due process; provisions are in place for an owner to receive compensation based on fair market value. No significant disputes are pending.

## Dispute Settlement

### *ICSID Convention and New York Convention*

Singapore is party to the Convention on the Settlement of Investment Disputes (ICSID convention) and the convention on the Recognition and Enforcement of Foreign Arbitration Awards (1958 New York Convention). Singapore passed an Arbitration (International Investment Disputes) Act to implement the ICSID in 1968. The New York Convention is enacted into Singapore law in the IA Act and is annexed to the IA Act as the Second Schedule. This allows the enforcement of arbitral awards from the other signatories to the New York Convention. ([Lexology](#))

### *Investor-State Dispute Settlement*

Singapore acceded to the New York Convention of 1958 on August 21, 1986, and subsequently re-enacted most of its provisions in Part III of the IAA. By acceding to this Convention, Singapore is bound to recognize awards made in any other country which is a signatory to the Convention. Singapore is a member of the Commonwealth of Nations and, under the Reciprocal Enforcement of Commonwealth Judgments Act (RECJA), recognizes judgments made in the United Kingdom, as well as jurisdictions that are part of the Commonwealth and which Singapore has reciprocal arrangements with for the recognition and enforcement of judgments. The Act lists the countries with which such arrangements exist, and of the 54 countries that are members of the Commonwealth, nine have been listed.

Singapore has had no investment disputes with U.S. persons or other foreign investors in the past 10 years which have proceeded to litigation. Any disputes settled by arbitration/mediation would remain confidential. There have been no claims made by U.S. investors under the USSFTA. There is no history of extrajudicial action against foreign investors.

### *International Commercial Arbitration and Foreign Courts*

Alternative dispute resolution (ADR) institutions include the Singapore International Arbitration Centre (SIAC), Singapore Mediation Centre (SMC), Maxwell Chambers, Asia's first integrated dispute resolution complex, and the Singapore Chamber of Maritime Arbitration. Singapore's extensive arbitration centers have contributed to its development as a regional hub for alternative disputes mechanisms. Arbitral awards in Singapore, for either domestic or international arbitration, are legally binding and enforceable in Singapore domestic courts, as well as in jurisdictions which have ratified the 1958 New York Convention. Domestic arbitration is governed by the Arbitration Act (AA). The AA is also primarily based on the UNCITRAL Model Law.

## Bankruptcy Regulations

Singapore has bankruptcy laws, with both debtors and creditors able to file a bankruptcy claim. Singapore is ranked number 29<sup>th</sup> of 190 countries globally for resolving insolvency in the World Bank's 2016 Doing Business index. While Singapore performed well in rankings for recovery rate, time and cost of proceedings, it did not score highly in the creditor participation sub-index. In particular, the insolvency framework does not require approval by the creditors for sale of substantial assets of the debtor or approval by the creditors for selection or appointment of the



insolvency representative. Amendments to the Companies Act passed in March 2017 include additional disclosure requirements by debtors, while increasing debtor protections and cram-down provisions that will allow a scheme to be approved by the court even if a class of creditors oppose the scheme, provided the dissenting class of creditors are not unfairly prejudiced by the scheme. Bankruptcy is not criminalized in Singapore.

## **Industrial Policies**

### **Investment Incentives**

The GOS offers numerous investment incentives across various sectors for which foreign investors are eligible. A number of broad-based tax incentives, such as the Automation Support Package, Pioneer Incentive Scheme, Development and Expansion Incentive, and the Investment Allowance Incentive are also available to manufacturing industries. Singapore provides research funding under the Research Innovation Enterprise plan. Singapore's EDB sponsors a Research Incentive Scheme for Companies (RISC) to award government grants to develop research and development capabilities in strategic areas of technology. The scheme targets businesses registered in Singapore, including foreign firms, and encourage companies to set up research and development centers in Singapore.

### **Foreign Trade Zones/Free Ports/Trade Facilitation**

Singapore has ten free-trade zones (FTZs) in five geographical areas operated by three FTZ authorities, PSA Corporation Limited, Jurong Port Pte Ltd, and Changi Airport Group (Singapore) Pte Ltd. The FTZs, which include port facilities, air cargo terminals, and logistics areas, may be used for storage and repackaging of import and export cargo, and goods transiting Singapore for subsequent re-export. Manufacturing is not carried out within the zones. Foreign and local firms have equal access to the FTZ facilities.

### **Performance and Data Localization Requirements**

Performance requirements are applied uniformly and systematically to both domestic and foreign investors. Singapore has no forced localization policy requiring domestic content in goods or technology. The government does not require investors to purchase from local sources or specify a percentage of output for export. There are no rules forcing the transfer of technology. There are no requirements for foreign IT providers to turn over source code and/or provide access to encryption.

Singapore does not have a data localization policy. The industry regulator is IMDA, a statutory board under the Ministry of Communications and Information (MCI). Personal data is protected under the Personal Data Protection Act (PDPA) of 2014, covering electronic and non-electronic data, and includes provisions that requires companies to ensure that the recipient of data transferred to another country is legally bound by “enforceable obligations” to provide to the transferred personal data a standard of protection that is at least comparable to the protection under the Act.

## Protection of Property Rights

### Real Property

Property rights and interests are enforced in Singapore. Residents have access to mortgages and liens, with reliable recording of properties. In the 2017 World Bank Doing Business Report, Singapore ranks second in the world in enforcing contracts and 19<sup>th</sup> in registering property.

Foreigners are not allowed to purchase public housing (HDB) in Singapore, and prior approval from the Singapore Land Authority is required to purchase landed residential property and vacant residential land. Foreigners are allowed to purchase private sector housing (condominiums or any unit within a building) without the need to obtain prior approval, however they are not allowed to acquire all the apartments within a building or all the units in an approved condominium apartment without prior approval.

There are no restrictions on foreign ownership of industrial and commercial real estate. In December 2011, the GOS enacted an additional effective 10 percent tax, or Additional Buyer's Stamp Duty (ABSD), on foreigners who purchase homes in Singapore. In January 2013, the GOS further raised the ABSD to 15 percent; however, U.S. citizens are accorded national treatment under the FTA, meaning only second and subsequent purchases of residential property will be subject to 7 and 10 percent ABSD, the same as Singaporean citizens.

### Intellectual Property Rights

Singapore has developed one of the stronger intellectual property rights (IPR) regimes in Asia and has brought its IPR laws in line with international standards. However, some concerns remain in certain areas such as business software piracy, online piracy, and enforcement.

The USSFTA ensures that government agencies will not grant approval to patent-violating products, but Singapore does allow parallel imports. Under the amended Patents Act, the patent owner has the right to bring an action to stop an importer of "grey market goods" from importing the patent owner's patented product if the product has not previously been sold or distributed in Singapore.

The USSFTA ensures protection of test data and trade secrets submitted to the government for product approval purposes. Disclosure of such information is prohibited for a period of five years for pharmaceuticals and ten years for agricultural chemicals. Singapore has no specific legislation concerning trade secrets. Instead, it protects investors' commercially valuable proprietary information under common law by the Law of Confidence. U.S. industry has expressed concern that this provision is inadequate.

Singapore is a member of the WTO and a party to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). It is a signatory to other international copyright agreements, including the Paris Convention, the Berne Convention, the Patent Cooperation Treaty, the Madrid Protocol, and the Budapest Treaty. The World Intellectual Property Organization (WIPO) Secretariat opened offices in Singapore in 2005. Amendments to the Trademark Act, which took effect in January 2007, fulfill Singapore's obligations in WIPO's revised Treaty on the Law of Trademarks.

Singapore ranked 8<sup>th</sup> in the world in the international IP index conducted by the U.S. Chamber of Commerce's International IP Index. The index noted that Singapore's key strengths included an advanced national IP framework, life sciences IP rights, a patent enforcement legal framework that is adequate and generally applied, and copyright framework strengthened in the past several years.

Singapore does not publicly report statistics on seizures of counterfeit goods, and does not score highly on seizure data availability in the U.S. Chamber of Commerce global counterfeiting report, with "no" to all four data transparency questions. It ranked 7<sup>th</sup> out of 17 countries surveyed in Asia in the European Chamber of Commerce's 2016 Illicit Trade index, due to low ratings for free trade zone governance and government cooperation with stakeholders in countering illicit goods trade. Singapore is not listed in the U.S. Trade Representative's (USTR) Special 301 report, or the notorious market report.

## **Financial Sector**

### **Capital Markets and Portfolio Investment**

The government takes a favorable stance towards foreign portfolio investment, fixed asset investments in particular. While it welcomes capital market investments, the government has introduced macro-prudential policies aimed at reducing foreign speculative inflows in the real estate sector since 2009. The government promotes Singapore's position as an asset and wealth management center, and asset under management grew 9 percent to USD \$1.8 trillion (SGD \$2.6 trillion) in 2015 – the latest year for which data are available.

GOS facilitates the free flow of financial resources into product and factor markets, and the SGX is Singapore's stock market. An effective regulatory system exists to encourage and facilitate portfolio investment. Credit is allocated on market terms and foreign investors can access credit, U.S. dollars, Singapore dollars (SGD), and other foreign currencies on the local market. The private sector has access to a variety of credit instruments through banks operating in Singapore. The government respects IMF Article VIII by refraining from restrictions on payments and transfers for current international transactions.

### **Money and Banking System**

Singapore's banking system is sound and well-regulated by the Monetary Authority of Singapore (MAS), and it serves as a financial hub for the region. Banks have a very high domestic penetration rate, and according to World Bank Financial Inclusion indicators, 96.4 percent of persons held a financial account in 2014 (latest year available). According to a 2014 McKinsey Asia Personal Financial Services Survey, the average number of banking products held by the customer is 5.72, while 94 percent of respondents used internet banking via PC or smartphone. Local Singapore banks are relatively small by regional standards, but are reasonably profitable and have stronger capital levels and credit ratings than many of their peers in the region. Banks are statutorily prohibited from engaging in non-financial business. Banks can hold 10 percent or less in non-financial companies as an "equity portfolio investment." As of 2016Q4, the non-performing loans

ratio (NPL ratio) of the three local banks averaged 1.4 percent, up from the NPL ratio of 1.1 in 2015Q4. The World Bank records Singapore's banking sector overall NPL ratio at 1.068 in 2016.

Foreign banks require licenses to operate in the country. The tiered licenses, for Merchant, Offshore, Wholesale, Full Banks and Qualifying Full Banks (QFBs) subject banks to further prudential safeguards in return for offering a greater range of services. Only Full Banks and QFBs can operate Singapore dollar retail banking activities, but are subject to restrictions on the number of places of business, ATMs and ATM networks. U.S. financial institutions enjoy phased-in benefits under the USSFTA. Since 2006, U.S.-licensed full service banks that are also QFBs have been able to operate at an unlimited number of locations (branches or off-premises ATMs) versus 25 for non-U.S. full service foreign banks with QFB status.

Under the OECD Common Reporting Standards (CRS) which has been in effect since January 2017, Singapore-based Financial Institutions (SGFIs) – depository institutions such as banks, specified insurance companies, investment entities and custodial institutions – are required to establish the tax residency status of all their account holders, collect and retain CRS information for all non-Singapore tax residents in the case of new accounts and report to tax authorities the financial account information of account holders who are tax residents of jurisdictions with which Singapore has a Competent Authority Agreement (CAA) to exchange the information.

U.S. financial regulations do not restrict foreign banks' ability to hold accounts for U.S. citizens. Anecdotal evidence suggests, however, that U.S. citizens may be constrained in their ability to open bank accounts at some institutions, as some Americans have been turned away by banks reportedly, or required to meet a higher deposit threshold, as a result of the additional reporting requirements associated with the U.S. Foreign Account Tax Compliance Act (FATCA) and other U.S. financial regulations. The U.S. Embassy routinely encounters U.S. citizens with complaints about not being allowed to open accounts. There have also been cases of U.S. citizens with existing accounts who have been asked by their banks to close them. U.S. Citizens are encouraged to alert the nearest U.S. Embassy of any practices they encounter with regard to the provision of financial services.

## Foreign Exchange and Remittances

### *Foreign Exchange*

The USSFTA commits Singapore to the free transfer of capital, unimpeded by regulatory restrictions. Singapore places no restrictions on reinvestment or repatriation of earnings and capital, and maintains no significant restrictions on remittances, foreign exchange transactions and capital movements.

Singapore's monetary policy has been centered on the management of the exchange rate since 1981, with the primary objective of promoting medium term price stability as a sound basis for sustainable economic growth. There are three main features of the exchange rate system in Singapore. MAS operates a managed float regime for the Singapore dollar with the trade-weighted exchange rate allowed to fluctuate within a policy band. The Singapore dollar is managed against a basket of currencies of its major trading partners. The exchange rate policy band is periodically reviewed to ensure that it remains consistent with the underlying fundamentals of the economy.

### *Remittance Policies*

There are no time or amount limitations on remittances. No significant changes to investment remittance was implemented or announced over the past year.

### **Sovereign Wealth Funds**

Singapore's reserves are managed by three entities. GIC Private Limited (GIC) is the sovereign wealth fund in Singapore that manages GOS' substantial investments, fiscal, and foreign reserves, with the stated objective to achieve long-term returns and preserve the international purchasing power of the reserves. Temasek is a holding company wholly-owned by the Singapore Minister for Finance. The MAS, as the central bank of Singapore, manages the Official Foreign Reserves, and a significant proportion of its portfolio is invested in liquid financial market instruments.

GIC does not publish the size of the funds under management, but some industry observers estimate its managed assets exceed USD \$300 billion. GIC does not invest domestically, but manages Singapore's international investments, which are generally passive (non-controlling) investments in publicly-traded entities. The United States is its top investment destination, accounting for 34 percent of GIC's portfolio as of March 2016, while Asia ex-Japan accounts for 20 percent, the Eurozone 12 percent, Japan 11 percent and UK 7 percent. Investments in the United States are diversified and include industrial and commercial properties, student housing, power transmission companies, and financial, retail and business services. Although not required by law, GIC has published an annual report since 2008.

Temasek began as a holding company for Singapore's state-owned enterprises, now GLCs, but has since branched to other asset classes, and often holds significant stake in companies. As of March 2016, Temasek's portfolio value reached USD \$242 billion, and its asset exposure to Singapore was 29 percent; 40 percent in the rest of Asia, and 10 percent in North America. Temasek's stated goal is to deliver sustainable value to its shareholder, the Singapore government, over the long term. Temasek formerly focused on managing industries to promote economic development, but has since shifted its emphasis to commercial objectives. Temasek has published an annual report since 2004, but only provides consolidated financial statements, which aggregate all of Temasek's subsidiaries into a single financial report. GIC and Temasek follow the Santiago Principles for good practices in SWF. Singapore is a member of the IMF International Working Group of Sovereign Wealth Funds.

Other investing entities of government funds include EDB Investments Pte Ltd, Singapore's Housing Development Board, and other government statutory boards with funding decisions driven by goals emanating from the central government.

### **State Owned Enterprises**

Singapore has an extensive network of government-linked corporations (GLC) that are fully or partially owned by Temasek Holdings, a holding company with the Singapore Minister for Finance as its sole shareholder. Singapore GLCs play a substantial role in Singapore's domestic economy, especially in strategically important sectors including telecommunications, media, public

transportation, defense, port, gas, electricity grid, and airport operations. In addition, the GLCs are also present in many other sectors of the economy, including banking, subway, airline, consumer/lifestyle, commodities trading, oil and gas engineering, postal services, infrastructure, and real estate. Consolidated figures of total assets, net income, and numbers employed in state-owned enterprises (SOEs) are not publicly available, but Temasek's domestic asset ownership stake in SOEs is estimated at USD \$70 billion. There is no published list of SOEs.

Temasek's annual report notes that its portfolio companies are guided and managed by their respective boards and management, and Temasek does not direct their business decisions or operations. However, as a substantial shareholder, corporate governance within GLCs typically are guided or influenced by policies developed by Temasek. There are differences in corporate governance disclosures and practices across the GLCs, and GLC boards are allowed to determine their own governance practices, with Temasek advisors occasionally meeting with the companies to make recommendations. GLC board seats are not specifically allocated to government officials, although it "leverages on its networks to suggest qualified individuals for consideration by the respective boards", and leaders formerly from the armed forces or civil service are often represented on boards and fill senior management positions. Temasek exercises its shareholder rights to influence the strategic directions of its companies but does not get involved in the day-to-day business and commercial decisions of its firms and subsidiaries.

GLCs operate on a commercial basis and compete on a generally equal basis with private businesses, both local and foreign. Singapore officials highlight that the government does not interfere with the operations of GLCs or grant them special privileges, preferential treatment or hidden subsidies, asserting that GLCs are subject to the same regulatory regime and discipline of the market as private sector companies. Observers, however, have been critical of cases where GLCs have entered into new lines of business or where government agencies have "corporatized" certain government functions, in both circumstances entering into competition with already-existing private businesses. Some private sector companies have said they encountered unfair business practices and opaque bidding processes that appeared to favor incumbent, government-linked firms. In addition, they note that the GLC's institutional relationships with the government give them natural advantages in terms of access to cheaper funding and opportunities to shape the economic policy agenda in ways that benefit their companies.

The USSFTA contains specific conduct guarantees to ensure that GLCs will operate on a commercial and non-discriminatory basis towards U.S. firms. GLCs with substantial revenues or assets are also subject to enhanced transparency requirements under the USSFTA. In accordance with its USSFTA commitments, Singapore enacted the Competition Act in 2004 and established the Competition Commission of Singapore in January 2005. The Act contains provisions on anti-competitive agreements, decisions, and practices; abuse of dominance; enforcement and appeals process; and mergers and acquisitions.

### Privatization Program

The government has ongoing plans to privatize several GLCs, though the government is likely to retain controlling stakes in strategically important sectors, including telecommunications, media, public transportation, defense, port, gas, electricity grid, and airport operations. The Energy Market

Authority (EMA) plans to fully open up the electricity retail market to competition by the second half of 2018, extending the liberalization of the retail market from commercial and industrial consumers with an average monthly electricity consumption of at least 2,000 kWh to households and smaller businesses. The bidding process for retail electricity markets has not been announced. SingTel will also divest ownership of NetLink Trust, which owns the infrastructure of the all-fiber national broadband network (NBN), by April 2018. Divestment is planned to be conducted by Initial Public Offering (IPO), which will be non-discriminatory and transparent. Foreign investors will be able to participate in these privatization programs.

## **Responsible Business Conduct**

The awareness and implementation of corporate social responsibility (CSR) in Singapore has been increasing since the formation of the Singapore Compact for Corporate Social Responsibility, which was set up to provide a forum for collaboration, support, and information sharing on good CSR practices. In June 2015, the society rebranded itself as the Global Compact Network Singapore (GCNS) under the United Nations Global Compact (UNGC) network, with the goals of encouraging companies to adopt sustainability principles related to human and labor rights, environmental conservation, and anti-corruption. GCNS facilitates exchanges, conducts research, and provides training in Singapore to build capacity in areas including sustainability reporting, supply chain management, ISO 26000, measuring and reporting carbon emissions.

The SGX implemented a requirement in June 2011 that listed companies report on their sustainable business practices. The Singapore Environmental Council (SEC) developed a green labeling scheme which endorses environmentally-friendly products, numbering over 3,000 from 27 countries. The Association of Banks in Singapore (ABS) issued guidelines to banks in Singapore in October 2015 encouraging them to adopt sustainable lending practices, including the integration of environmental, social and governance (ESG) principles into their lending and business practices. While voluntary, the move marks the first time Singapore's financial sector has been asked to play a significant role in sustainable development.

Singapore has not developed a National Action Plan on business and human rights, but supports and promotes responsible business practices and encourages foreign and local enterprises to follow generally accepted CSR principles. The government does not explicitly factor responsible business conduct (RBC) policies into its procurement decisions.

The host government effectively and fairly enforces domestic laws with regard to human rights, labor rights, consumer protection, environmental protections, and other laws/regulations intended to protect individuals from adverse business impacts. The private sector's impact on migrant workers and their rights, and domestic migrant workers in particular (due to the latter's exemption from the Employment Act which stipulates the rights of workers), remains an area of advocacy by civil society groups. The government has taken incremental steps to improve the channels of redress and enforcement of workers' rights; however, key concerns about legislative protections remain unaddressed for domestic migrant workers. The government generally encourages businesses to comply with international standards. However, there are no specific mentions of the

host government encouraging adherence to the OECD Due Diligence Guidance, or supply chain due diligence measures.

Companies in Singapore are principally governed by the Companies Act. Key areas of corporate governance covered under the act include separation of ownership from management, fiduciary duties of directors, shareholder remedies, and capital maintenance rules. Limited liability partnerships are governed by the Limited Liability Partnership Act. Certain provisions in other statutes such as the Securities and Futures Act are also relevant to companies. Singapore has a private sector-led Council on Corporate Disclosure and Governance to implement the country's Code of Corporate Governance. Compliance with the Code is not mandatory but listed companies are required under the Singapore Exchange Listing Rules to disclose their corporate governance practices and give explanations for deviations from the Code in their annual reports. (Singapore Academy of Law)

There are independent NGOs promoting and monitoring RBC. Those monitoring or advocating around RBC are generally able to do their work freely within most areas of RBC. However, labor unions are tightly controlled and legal rights to strike are granted with restrictions under the Trade Disputes Act.

Singapore has no oil, gas, or mineral resources and is not a member of the Extractive Industries Transparency Initiative (EITI). A small sector processes and rare minerals, and complies with responsible supply chains and conflict mineral principles. Under the new AML/CFT framework introduced in 2014, it is a requirement for Corporate Service Providers to develop and implement internal policies, procedures and controls to comply with Financial Action Task Force (FATF) recommendations on combating of money laundering and terrorism financing.

## **Corruption**

Singapore actively enforces its strong anti-corruption laws and corruption is not cited as a concern for foreign investors. Transparency International's 2016 Corruption Perception index ranks Singapore 7<sup>th</sup> of 176 countries globally, the highest ranking for an Asian country. The Prevention of Corruption Act (PCA), and the Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act provide the legal basis for government action by the Corrupt Practices Investigation Bureau (CPIB), which is the only agency authorized under the PCA to investigate corruption offences and other related offences. These laws cover acts of corruption both within Singapore as well as those committed by Singaporeans abroad. When cases of corruption are uncovered, whether in the public or private sector, the government deals with them firmly, swiftly, and publicly. The anti-corruption laws extend to family members of officials, and to political parties. The CPIB is effective and non-discriminatory, and Singapore is generally perceived to be one of the least corrupt countries in Asia and the world, and corruption is not identified as an obstacle to FDI in Singapore. Singapore is a signatory to the UN Anticorruption Convention, but not the OECD Anti-Bribery Convention.

### *Resources to Report Corruption*



Contact at government agency responsible for combating corruption:

Corrupt Practices Investigation Bureau

2 Lengkok Bahru, Singapore 159047

+65 6270 0141

[CPIB Website](#) [Email@cpib.gov.sg](mailto:Email@cpib.gov.sg)

## **Political and Security Environment**

Singapore's political environment is stable and there is no history of incidents involving politically motivated damage to foreign investments in Singapore. The ruling People's Action Party (PAP) has dominated Singapore's parliamentary government since 1959, and currently controls 83 of the 89 regularly contested parliamentary seats. Singapore opposition parties, which currently hold six regularly contested parliamentary seats and three additional seats reserved to the opposition by the constitution, do not usually espouse views that are radically different from the mainstream of Singapore political opinion.

## **Labor Policies and Practices**

As of December 2016, Singapore's labor market totaled 3.67 million workers; this includes about 1.39 million foreigners of which about 85 percent are unskilled or semi-skilled workers. The labor market continues to be tight, with unemployment at 2.2 percent in 2016. Local labor laws allow for relatively free hiring and firing practices. Either party can terminate employment by giving the other party the required notice. The Ministry of Manpower (MOM) must approve employment of foreigners. Since 2011 the Government has introduced policy measures to support productivity increases coupled with reduced dependence on foreign labor. The MOM has started tightening foreign labor approvals, resulting in many businesses in Singapore voicing discontent at not being able to access sufficient labor.

According to a 2016 [JP Morgan-Singapore Management University report](#), Singapore faces shortages of specialized labor skills in the information and communication technology (ICT) industry. It will require a further 15,000 workers, particularly in the areas of cyber security, data analytics and development and network infrastructure in 2017. Lower-level software-engineering and programming workers are also in short supply.

SkillsFuture is a government initiative managed by SkillsFuture Singapore (SSG), a statutory board under the Ministry of Education, designed to provide all Singaporeans with the enhanced opportunities and capacity building. SSG also administers the Singapore Workforce Skills Qualifications (WSQ), a national credential system that trains, develops, assesses and certifies skills and competencies for the workforce.

The government regulates the inflow of foreign workers through the Foreign Worker Levy (FWL) and the Dependency Ratio Ceiling (DRC). The DRC is the maximum permitted ratio of foreign workers to the total workforce that a company is allowed to hire, and serves as a quota on the hiring of foreign workers. The DRC varies across sectors. Employers of work permit holders are required to pay a monthly FWL to the government. The FWL varies according to the skills,

qualifications and experience of their employees at the time of recruitment. The FWL is set on a sector-by-sector basis and is subject to annual revisions. FWLs have progressively increased for most sectors since 2012.

MOM requires employers to consider Singaporeans before hiring skilled professional foreigners. The Fair Consideration Framework (FCF), implemented in August 2014, affects employers who apply for Employment Passes (EP), the work pass for foreign professionals working in professional, manager and executive (PME) posts. Companies have noted inconsistent and increasingly burdensome documentation requirements and excessive qualification criteria to approve EP applications. Under the rules, firms making new EP applications must first advertise the job vacancy in a new jobs bank administered by Workforce Singapore (WSG) for at least 14 days. The jobs bank will be free for use by companies and job seekers and the job advertisement must be open to all Singaporeans. Employers are encouraged to keep records of their interview process as proof that they have done due diligence in trying to look for a Singaporean worker. If an EP is still needed, the employer will have to make a statutory declaration that a job advertisement with the national jobs bank had been made. Some exceptions have been made for smaller firms with 25 or fewer employees and jobs which pay a fixed monthly salary of USD \$8,730 (SGD \$12,000) or more will not be subjected to the advertising requirement. Consistent with Singapore's WTO obligations, intra-corporate transfers (ICT) are allowed for managers, executives, and specialists who had worked for at least one-year in the firm before being posted to Singapore. ICT would still be required to meet all EP criteria, but the requirement for an advertisement in the jobs data bank would be waived. In April 2016, MoM, outlined measures to refine the work pass applications process, looking not only at the qualifications of individuals, but of companies. Companies found not to have a "healthy Singaporean core"; demonstrated commitment to developing a Singaporean core, and not found to be "relevant" to Singapore's economy and society, will be labeled "triple weak" and put on a watch list. Companies unable to demonstrate progress may have work pass privileges suspended. As of March 2017, approximately 250 companies have been put on the watch list.

The Employment Act covers all employees under a contract of service, and under the act, employees who have served the company for at least two years are eligible for retrenchment benefits, and the amount of compensation depends on the contract of service or what is agreed collectively. Employers have to abide by notice periods in the employment contract before termination, and stipulated minimum guidelines in the absence of a notice period previously agreed upon, or provide salary in lieu of notice. Dismissal on grounds of wrongful conduct by the employee is differentiated from retrenchments in the labor laws, and is exempted from the above requirements. Employers must notify MOM of retrenchments within five working days after they notify the affected employees to enable the relevant agencies to help affected employees find alternative employment and/or identify relevant training to enhance employability. Singapore does not provide unemployment benefits, but provides training and job matching services to retrenched workers.

Labor laws are not waived in order to attract or retain investment in Singapore. There are no additional or different labor law provisions in free trade zones.

Collective bargaining is a normal part of labor-management relations in all sectors. About 28.9 percent of the workforce is unionized. Almost all unions are affiliated with the National Trades Union Congress (NTUC), an umbrella organization with close relationship with the PAP ruling party and the government. The current NTUC Secretary General is also a Minister in the Prime Minister's Office. Given that nearly all unions are NTUC affiliates, the NTUC has almost exclusive authority to exercise collective bargaining power on behalf of employees. Union members may not reject collective agreements negotiated between their union representatives and an employer. Although transfers and layoffs are excluded from the scope of collective bargaining, employers consult with unions on both problems, and the Tripartite Panel on Retrenched Workers issues guidelines calling for early notification to unions of layoffs. Data on coverage of collective bargaining agreements is not publicly available. The Industrial Relations Act (IRA) regulates collective bargaining. The Industrial Arbitration Courts must certify any collective bargaining agreement before it is deemed in effect and can deny certification on public interest grounds. Additionally, the IRA restricts the scope of issues over which workers may bargain, excluding bargaining on hiring, transfer, promotion, dismissal, or reinstatement of workers.

Most labor disagreements are resolved through conciliation and mediation by MOM. From April 2017, the Tripartite Alliance for Dispute Management under MOM will provide advisory and mediation services, including mediation for labor disputes. Salary-related disputes which are not resolved by mediation are covered by the newly formed Employment Claims Tribunals under the State Courts. Disputing parties may also submit their case to the tripartite Industrial Arbitration Court, composed of employee and management representatives and chaired by a judge. In some situations the law provides for compulsory arbitration. The court must certify collective agreements before they go into effect. The court may refuse certification at its discretion on the ground of public interest.

The legal framework in Singapore provides for some restrictions in the registration of trade unions, labor union autonomy and administration, the right to strike, who may serve as union officers or employees, and collective bargaining. Under the Trade Union Act (TUA), every trade union must register with the Registrar of Trade Unions, which has broad discretion to grant, deny, or cancel union registration. The TUA limits the objectives for which unions can spend their funds, including for contributions to a political party or for political purposes and allows the Registrar to inspect accounts and funds "at any reasonable time". Legal rights to strike are granted with restrictions under the Trade Disputes Act. Strikes cannot be conducted for any reason apart from a dispute in the trade or industry in which the strikers are employed, and it is illegal to conduct a strike if it is "designed or calculated to coerce the Government either directly or by inflicting hardship on the community." Workers in "essential services" are required to give 14 days' notice to an employer before conducting a strike. Although workers, other than those employed in the three essential services of water, gas and electricity, may strike, no workers did so since 1986 with the exception of a strike by bus drivers in 2012. The TUA bars non-citizens from serving as union officers or employees, unless prior written approval is received from the Minister for Manpower.

Labor protections are governed by the Employment Act, which prohibits all forms of forced or compulsory labor and the Prevention of Human Trafficking Act (PHTA), which strengthens labor

trafficking victim protection. Labor laws set the standard legal workweek at 44 hours, with one rest day each week, and establish a framework for workplaces to comply with occupational safety and health standards, with regular inspections designed to enforce the standards. MOM effectively enforces laws and regulations establishing working conditions and comprehensive occupational safety and health (OSH) laws, and implements enforcement procedures and promoted educational and training programs to reduce the frequency of job-related accidents. (see the [U.S. State Department Human Rights Report](#)).

Singapore has no across the board minimum wage law, although there are some exceptions in certain low skill industries. Generally, the government follows a policy of allowing free market forces to determine wage levels. The National Wage Council (NWC), a tripartite body comprising a Chairman and representatives from the Government, employers and unions, recommends non-binding wage adjustments on an annual basis. The NWC recommendations apply to all employees in both domestic and foreign firms, and across the private and public sectors. While the NWC wage guidelines are not mandatory, they are published under the Employment Act and form the basis of wage negotiations between unions and management. The NWC recommendations apply to all employees in both domestic and foreign law firms, and across the public and private sectors. The level of implementation is generally higher among unionized companies compared to non-unionized companies.

MOM is responsible for combating labor trafficking and improving working conditions for workers, and generally enforces anti-trafficking legislation, although some workers in low-wage and unskilled sectors are vulnerable to labor exploitation and abuse. PHTA sets out harsh penalties (including up to nine strokes of the cane and 15 years' imprisonment) for those found guilty of trafficking, including forced labor, or abetting such activities. The government developed a mechanism for referral of forced labor, among other trafficking-in-persons activities, to the interagency taskforce, co-chaired by the Ministry of Home Affairs and the Ministry of Manpower. Some observers note that the country's employer sponsorship system made legal migrant workers vulnerable to forced labor, because they cannot change employers without the consent of the current employer. MOM effectively enforces laws and regulations pertaining to child labor. Penalties for employers that violated child labor laws were subject to fines and/or imprisonment, depending on the violation. Government officials assert that child labor is not a significant issue. The incidence of children in formal employment is low, and almost no abuses are reported.

A new Employment Claims Tribunal will be established from April 2017 to deal with salary-related disputes. The Tribunal will hear: (i) statutory salary-related disputes from employees covered under the Employment Act, the Retirement and Re-Employment Act and the Child Development Co-Savings Act; and (ii) contractual salary-related claims from all employees except domestic workers, public servants and seafarers. All parties are required to go through mediation with the Tripartite Alliance for Dispute Management (TADM) before their claims can be heard. There will be a limit of SGD \$30,000 on claims for cases with union involvement, and SGD \$20,000 for all other claims. Prior to April 2017, TADM arbitration was available only to those employees covered under the Employment Act who earned less USD \$3,180 per month for cases of salary arrears, breach of individual employment contracts and payment of retrenchment benefits.

## OPIC and Other Investment Insurance Programs

Under the 1966 Investment Guarantee Agreement with Singapore, the Overseas Private Investment Corporation (OPIC) offers insurance to U.S. investors in Singapore against currency inconvertibility, expropriation, and losses arising from war. Singapore became a member of the Multilateral Investment Guarantee Agency (MIGA) in 1998. OPIC does not currently have any ongoing projects in Singapore.

## Foreign Direct Investment and Foreign Portfolio Investment Statistics

*Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy*

	Host Country Statistical Source		USG or International Statistical Source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2015	\$291,247	2015	\$292,739	<u>World Bank</u>
Foreign Direct Investment	Host Country Statistical Source		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in Partner Country (\$M USD, stock positions)	2015	\$173,641	2015	\$228,666	<u>BEA</u> <u>Department of Statistics Singapore</u>
Host Country's FDI in the United	2015	\$11,153	2015	\$ 19,423	<u>BEA</u> <u>Department Statistics</u>

	Host Country Statistical Source		USG or International Statistical Source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
States (\$M USD, stock positions)					<u>Singapore</u>
Total Inbound Stock of FDI as % Host GDP	2015	3.8%	2015	6.7%	N/A

*Table 3: Sources and Destination of FDI*

Direct Investment from/in Counterpart Economy Data					
From Top Five Sources/To Top Five Destinations ( <i>US Dollars, Millions</i> )					
Inward Direct Investment			Outward Direct Investment		
Total Inward	\$869,572	100%	Total Outward	474,854	100%
United States	\$169,187	19.5%	China	\$86,402	18.2%
Japan	\$64,104	7.4%	Cayman Islands	\$45,424	9.6%
British Virgin Islands	\$61,502	7.1%	Hong Kong	\$37,634	7.9%
Cayman Islands	\$57,966	6.7%	Indonesia	\$32,428	6.8%
United Kingdom	\$49,433	5.7%	Malaysia	\$29,037	6.1%
"0" reflects amounts rounded to +/- USD 500,000.					

Source: IMF Coordinated Direct Investment Survey (Inward) and Singapore Department of Statistics (Outward)

*Table 4: Sources of Portfolio Investment*

<b>Portfolio Investment Assets</b>								
<b>Top Five Partners (Millions, US Dollars)</b>								
<b>Total</b>			<b>Equity Securities</b>			<b>Total Debt Securities</b>		
All Countries	\$987,596	100%	All Countries	\$493,555	100%	All Countries	\$494,041	100%
United States	\$271,041	27.4%	United States	\$121,150	24.5%	United States	\$149,891	30.3%
Mainland China	\$92,409	9.4%	Mainland China	\$65,850	13.3%	India	\$29,308	5.9%
India	\$60,342	6.1%	India	\$31,033	6.3%	Mainland China	\$26,559	5.4%
Republic of Korea	\$42,294	4.3%	Japan	\$28,623	5.8%	Republic of Korea	\$20,088	4.1%
United Kingdom	\$34,088	3.5%	Republic of Korea	\$22,205	4.5%	United Kingdom	\$18,240	3.7%

### **Contact for More Information**

Nashwa Elgadi

Economic Officer

U.S. Embassy Singapore; 27 Napier Road, Singapore 258508

+65-6476-9168

[ElgadiNN@state.gov](mailto:ElgadiNN@state.gov)

# Trade and Project Financing

## Methods of Payment

Singapore has a well-developed financial system, which offers a full range of export finance instruments. Shipments are generally made under letters of credit and sight drafts (or bills of exchange), depending on the exporter's preference and the extent of past dealings with the purchaser. Standard credit terms are generally 30 to 90 days and they are allocated on market terms. Quotations are generally made on a C.I.F. basis. Prices given in U.S. dollars should be clearly stated to avoid confusion with the Singapore dollar. Exporters making quotations in Singapore dollars should consult their banks for the prevailing exchange rate. Singapore uses the metric system, so it is beneficial for price/quantity quotations to be prepared accordingly.

In Singapore, there are easily 70 different types of credit cards on offer all with different promotions, services and conditions. However, charge cards face intense competition from credit cards catering to high net worth individuals. For example, some banks that issue charge cards require potential card holders to have S\$5 million (US\$3.7 million) of investable assets with the bank.

## Banking Systems

Singapore is a reputable international financial center. It is a leading world foreign exchange trading center and trader in derivatives. There are about 900 local and foreign banking and financial institutions in Singapore that provide services relating to trade financing, foreign exchange, derivatives products, capital markets activities, loan syndication, underwriting, mergers and acquisitions, asset management, securities trading, financial advisory services and specialized insurance services.

The Monetary Authority of Singapore (MAS) performs all the functions of a central bank including the issuance of currency. The unit of legal tender is the Singapore dollar. The MAS is a wholly owned and controlled statutory board under the Ministry of Finance; it is responsible for all matters relating to banks and financial institutions. Besides regulating financial institutions, the MAS has a Financial Sector Promotion Department that promotes new financial activities, develops IT infrastructure and manpower resources for the financial sector, and designs appropriate incentives to attract international financial firms to conduct activities in Singapore.

In October 2005, Singapore enacted the Deposit Insurance Act and the deposit insurance program took effect from April 1, 2006. In the event that a bank or finance company fails, the program compensates individuals and charities for the first S\$20,000 (about US\$14,500) of their Singapore dollar deposits in standard savings, current and fixed deposit accounts, and net of liabilities. The



program compensates depositors through a fund built up from contributions by full banks and finance companies.

For deposits in excess of the payout, individual depositors can also claim from assets of the failed bank. Depositors and policyholders, in the case of an insurance company, would rank ahead of unsecured creditors and shareholders in their claims. The MAS, together with the Singapore Deposit Insurance Corporation (SDIC) that administers the deposit insurance program, will review the coverage limit regularly, taking into consideration the objectives of the program and international norms.

The MAS is known and respected as an effective regulator/supervisor of the financial services sector. The MAS will require Singapore-incorporated banks to meet a minimum Common Equity Tier 1 (“CET1”) capital adequacy ratio (“CAR”) of 6.5%, Tier 1 CAR of 8% and Total CAR of 10% from 1 January 2015. These standards are higher than the Basel III minimum requirements of 4.5%, 6% and 8% for CET1 CAR, Tier 1 CAR and Total CAR, respectively. Financial statements are in compliance with international standards and internationally recognized accounting firms perform audits. In December 2016, total combined assets/liabilities of Singapore's domestic banking sector amounted to US\$638 billion, which is an 8.3% increase from the previous year.

### **Foreign Exchange Controls**

Singapore has no significant restrictions on remittances, foreign exchange transactions and capital movements. It also does not restrict reinvestment or repatriation of earnings and capital. In addition, The U.S.-Singapore FTA underpins the shared commitment of the United States and Singapore to the free transfer of capital, unimpeded by regulatory restrictions.

### **US Banks and Local Correspondent Banks**

As of March 27, 2017, there were 29 foreign full service licensees, 57 wholesale licensees, and 37 offshore licensees operating in Singapore. Of the 29 foreign full service licensees, the government has granted "qualifying full bank" (QFB) licenses to various foreign banks such as ANZ, Bank of America, Bank of China, BNP Paribas, Citibank, HSBC, ICICI, Industrial and Commercial Bank of China, JPMorgan Chase Bank, Maybank, Standard Chartered and State Bank of India who can operate up to 25 locations in country. Except in retail banking, Singapore laws do not distinguish operationally between foreign and domestic banks.

The MAS maintains a full directory of local and foreign banks and financial institutions (including U.S.-headquartered entities) that operate in Singapore. Access to this directory is free and is available at the following website: [Monetary Authority of Singapore— Financial Directory](#)

### **Project Financing**

Singapore is considered a developed country and does not receive development assistance from multilateral institutions. U.S. government agencies such as the Export-Import Bank of the United

States and the U.S. Department of Agriculture, Overseas Private Investment Corporation (OPIC), as well as state and local bodies (e.g., Small Business Administration) offer a variety of programs to assist exporters with their financing and insurance needs. Ex-Im Bank provides a variety of financing mechanisms, including working capital guarantees, export-credit insurance and financing to help foreign buyers purchase U.S. goods and services. One example is the Medium Term Delegated Authority (MTDA) lender scheme underwritten by Ex-Im Bank. The MTDA program offers exporters quick access to buyer financing from a network of lenders who have authority to write loans that will be guaranteed by the Bank. Firms seeking such assistance should contact their nearest [Export Assistance Center](#).

## **Financing Web Resources**

[Trade Finance Guide](#): A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry and Analysis team

[Export-Import Bank of the United States](#)

[Country Limitation Schedule](#)

[OPIC](#)

[Trade and Development Agency](#)

[SBA's Office of International Trade](#)

[USDA Commodity Credit Corporation](#)

[U.S. Agency for International Development](#)

## **Business Travel**

### **Business Customs**

Business discussions are usually conducted in a very straight forward manner. English is widely spoken and most businesspeople are skilled and technically knowledgeable. Furthermore, most agents and distributors have visited the United States and often handle several American product lines. Corruption is virtually non-existent.

Many Singapore business people are of ethnic Chinese background, and many of them will have "Western" first names (e.g., Melody Yeo). Those with only a Chinese name presented on business

cards will list his/her family name before their first name. For example, a person whose card reads "Mr. Chan Yiu Kei" would be addressed as "Mr. Chan."

The names of business people of Malay or Indian descent are written and spoken as given name followed by family name. For the sake of politeness and respect, it is wise to address a businessperson by the last name rather than the first name until invited to use a given name. When in doubt it is not impolite to ask. The common and polite Singaporean phrase is 'How shall I address you?'

Business cards are a must as they are immediately exchanged during business and social meetings. The East Asian practice of presenting a business card with both hands is observed. There is no need to have special business cards printed in Chinese.

Located one degree from the Equator, Singapore has a constant tropical climate year-round. Daytime temperatures average between 85 and 90 degrees Fahrenheit. Humidity is very high and rain showers are frequent. Temperatures at night average between 76 and 80 degrees. All public buildings, indoor restaurants and taxis are air-conditioned.

Summer-weight suits/dresses, several dress-shirts, and an umbrella are recommended for the traveler. Singapore business dress is a long-sleeved shirt and tie for men, although one will not be out of place without a tie. Some formal meetings call for a coat and tie. Businesswomen wear light-weight attire. Evening/dinner-dress is a shirt and tie for men but there isn't a strict dress code for women.

Tipping is not customary in Singapore. Restaurants automatically add a 10% service charge and a 7% goods and services tax (GST) to the bill.

## **Travel Advisory**

Americans traveling abroad should regularly monitor the [Department of State, Bureau of Consular Affairs' website](#) at, where current Travel Warnings and Travel Alerts, as well as Worldwide Caution alerts, can be found.

While in a foreign country, a U.S. citizen is subject to that country's laws and regulations, which sometimes differ significantly from those in the U.S. and may not afford the protections available to the individual under U.S. law. Penalties for breaking the law can be more severe than those in the U.S. for similar offenses. Persons violating Singapore laws, even unknowingly, may be expelled, arrested or imprisoned.

There are strict penalties for possession and use of drugs as well as for trafficking in illegal drugs. Visitors should be aware of Singapore's strict laws and penalties for a variety of actions that might not be illegal or might be considered minor offenses in the U.S. Commercial disputes that may be handled as civil suits in the U.S. can escalate to criminal cases in Singapore and may result in heavy fines and prison sentences.

Singapore customs authorities enforce strict regulations concerning temporary import and export of items such as weapons, illegal drugs, certain religious materials and pornographic material. Singapore customs authorities' definition of "weapon" is very broad, and, in addition to firearms, includes many items which are not necessarily seen as weapons in the United States, such as dive knives, kitchen knives, handcuffs and expended shell casings. Carrying any of these items without permission may result in immediate arrest. All baggage is x-rayed at every port of entry, so checked baggage will also be inspected for regulated items.

Generally, there are four types of dutiable goods in Singapore: alcoholic beverages, tobacco, gasoline and motor vehicles. Travelers entering Singapore at any port of entry must approach an Immigration and Checkpoints Authority (ICA) officer at the "Red Channel" for payment of duty (e.g. alcohol and tobacco) and goods and services tax (GST) if you have dutiable goods which exceed the GST relief or duty-free concession. It is an offence to proceed to the "Green Channel" for clearance if you have items that are subject to payment of duty and/or GST.

The State Department Consular Information Sheet on Singapore.

## **Visa Requirements**

U.S. citizens do not need a visa if their visit to Singapore is for business or social purposes and their stay is for 90 days or less. Travelers to the region should note that Singapore and some neighboring countries do not allow Americans to enter under any circumstances with fewer than six months of validity remaining on their passport. Travelers should note that there are also very strict penalties for overstaying their visas.

Specific information about entry requirements for Singapore may be obtained from the Embassy of the Republic of Singapore.

U.S. companies should note that Singapore is part of the Visa Waiver Program and that eligible nationals of Singapore are able to travel to the United States without a visa for tourist and business travel of 90 days or less provided they possess an e-passport and an approved authorization through the Electronic System for Travel Authorization (ESTA). Third country nationals living and working in Singapore may have to obtain a visa before visiting the United States. U.S. companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links:

- State Department Visa Website
- U.S. Embassy Singapore
- ESTA

Singaporeans are now eligible to participate in the U.S. Global Entry Program, expediting the customs process upon arrival in the U.S. Information on this program and how to participate can be found on the Global Entry Program page on the website of the U.S. Customs and Border Protection.

## **Currency**

Singapore's unit of currency is the Singapore dollar. Travelers' checks and currency may be exchanged in the baggage claim area at Changi Airport (at a reasonable rate) or at any hotel (at a less favorable rate). Singapore features dozens of Government-authorized "money changers" located in major shopping centers, offering competitive rates and they will usually accept U.S. travelers' checks as well as major currencies. International credit cards are widely accepted in hotels, restaurants and retail shops. ATMs that accept U.S. cards are widely available.

## **Telecommunications/Electric**

Telecommunications and Internet facilities in Singapore are state-of-the-art, providing high-quality communications with the rest of the world. Mobile phone users can access third generation (3G) and 4G or Long Term Evolution (LTE) networks and services in Singapore, with theoretical speeds of up to 450 Megabits per second (Mbps). Internet connections are widely available in hotels.

There are three main mobile telephony providers (and 17 mobile virtual network operators or MVNOs) and 82 Internet Services Providers in Singapore. The mobile penetration rate is close to 149.8% in December 2016. Household broadband penetration is at 97.5% as of December 2016.

Singapore's island-wide free Wi-Fi service offers additional connectivity options. Dubbed Wireless@SG, it offers access speeds of 5Mbps at over 10,000 Wi-Fi hot spots in public places such as shopping malls, town centers, business district and public transport hubs. All visitors can log on via a web-portal using a one-time password (OTP) sent via SMS to their foreign mobile number. Alternatively, visitors with a Singapore prepaid SIM card from M1, Singtel and StarHub can choose to download the Wireless@SG App (available for Android and iOS users), which will enable their smartphones to automatically log in to all Wireless@SG hotspots after a one-time setup.

All homes and offices now have access to the new, ultra high-speed, all-fiber Nationwide Broadband Network (NBN). Offering pervasive, competitively priced broadband speeds, the NBN enables users to enjoy a richer broadband experience with higher access speeds at prices comparable to ADSL and cable services. All residential households and enterprises, also benefit from the ease of access to ultra high-speed broadband of up to 10Gbps, and are able to use IT more extensively to boost productivity and competitiveness.

Besides a nationwide broadband network infrastructure, Singapore is well connected by multiple satellite and submarine cable systems with more than 498 terabits per second (Tbps) of potential capacity supporting international and regional telecoms connectivity. It has more than 10.5 terabits per second (Tbps) of international internet bandwidth connectivity to economies such as the U.S., China, Japan, India, as well as some countries in Europe and ASEAN.

The standard electrical current used in Singapore is 220-240 volts AC (50 cycles) and you can use power plugs with three square prongs here.

## Transportation

Situated at the crossroads of international shipping and air routes, Singapore is a center for transportation and communication in Southeast Asia. With more than 100 airlines serving some 380 cities, Singapore's Changi Airport has established itself as a major aviation hub in the Asia Pacific region. Singapore is the busiest port in the world in terms of shipping tonnage, with more than 130,000 vessel calls annually. The country is linked by road and rail to Malaysia.

Taxis are abundant, metered, safe, inexpensive, air-conditioned, and most drivers speak English. Drivers should be given place names for the destination as these are often more familiar than street names. In order to promote the flow of traffic, the Government limits the total number of cars on the road through heavy fees/taxes and imposes a surcharge on vehicles entering the Central Business District during peak hours. In addition, an exceptionally clean, efficient subway system links the major business/shopping areas.

## Language

English is widely spoken in Singapore. It is the language of business, government, education and the media. Many business people are highly educated and have traveled extensively.

## Health

Good medical care is widely available in Singapore and high-end medical tourism is a growing business. Doctors and hospitals expect immediate payment for health services by credit card or cash and generally do not accept U.S. health insurance. Recipients of health care should be aware that the Ministry of Health auditors in certain circumstances may be granted access to patient medical records without the consent of the patient, and in certain circumstances, physicians may be required to provide information relating to the diagnosis or treatment without the patient's consent.

**MEDICAL INSURANCE:** The Department of State strongly urges Americans to consult with their medical insurance company prior to traveling abroad to confirm whether their policy applies overseas and whether it will cover emergency expenses such as a medical evacuation.

**OTHER HEALTH INFORMATION:** Information on vaccinations and other health precautions may be obtained from the Centers for Disease Control and Prevention's automated information line for international travelers at 877-FYI-TRIP (877-394-8747).

For information about outbreaks of infectious diseases abroad consult the World Health Organization's website.

The World Health Organization also provides additional health information.

The Singapore Ministry of Health's website contains helpful health information.

## Local Time, Business Hours and Holidays

Singapore is twelve hours ahead of Eastern Daylight Savings or thirteen hours ahead of Eastern Standard Time. Normal business hours are 8:30 a.m. - 5:00 p.m., Monday-Friday. Government of Singapore agencies and many private sector companies are closed for business on Saturday. Shops are normally open every day from 10:00 am – 9:00 p.m.

U.S. Embassy Singapore closes on American and local holidays. The dates on which holidays are observed in 2017 and 2018 are listed below:

### 2017

OFFICIAL DATE	U.S. HOLIDAY	SINGAPORE HOLIDAY	DATE OBSERVED
January 1	New Year's Day	New Year's Day	Sunday, January 1 Monday, January 2
3rd Mon in January	Birthday of Martin Luther King, Jr.		Monday, January 16
January 28-29		Chinese New Year	Saturday, January 28 Sunday, January 29 Monday, January 30
3rd Mon in February	President's Day		Monday, February 20
April 14		Good Friday	Friday, April 14
May 1		Labor Day	Monday, May 1
May 10		Vesak Day	Wednesday, May 10
Last Monday in May	Memorial Day		Monday, May 29
June 25		Hari Raya Puasa	Sunday, June 25 Monday, June 26
July 4	Independence Day		Tuesday, July 4

OFFICIAL DATE	U.S. HOLIDAY	SINGAPORE HOLIDAY	DATE OBSERVED
August 9		National Day	Wednesday, August 9
September 1		Hari Raya Haji	Friday, September 1
1st Mon in September	Labor Day		Monday, September 4
2nd Mon in October	Columbus Day		Monday, October 9
October 18		Deepavali	Wednesday, October 18
November 11	Veteran's Day		Friday, November 10
4th Thu in November	Thanksgiving		Thursday, November 23
December 25	Christmas	Christmas	Monday, December 25

## 2018

OFFICIAL DATE	U.S. HOLIDAY	SINGAPORE HOLIDAY	DATE OBSERVED
January 1	New Year's Day	New Year's Day	Monday, January 1
3rd Mon in January	Birthday of Martin Luther King, Jr.		Monday, January 15
February 16-17		Chinese New Year	Thursday, February 15** Friday, February 16* Saturday, February 17
3rd Mon in February	President's Day		Monday, February 19
March 30		Good Friday	Friday, March 30
May 1		Labor Day	Tuesday, May 1
Last Monday in May	Memorial Day		Monday, May 28
May 29		Vesak Day	Tuesday, May 29



OFFICIAL DATE	U.S. HOLIDAY	SINGAPORE HOLIDAY	DATE OBSERVED
June 15		Hari Raya Puasa	Friday, June 15
July 4	Independence Day		Wednesday, July 4
August 9		National Day	Thursday, August 9
August 22		Hari Raya Haji	Wednesday, August 22
1st Mon in September	Labor Day		Monday, September 3
2nd Mon in October	Columbus Day		Monday, October 8
November 6		Deepavali	Tuesday, November 6
November 11	Veteran's Day		Sunday, November 11* Monday, November 12
4th Thu in November	Thanksgiving		Thursday, November 22
December 25	Christmas	Christmas	Tuesday, December 25

*\* U.S. Embassy Singapore will observe local and American holidays that fall on a Saturday the preceding Friday and local and American holidays that fall on a Sunday the following Monday.*

*\*\* Since Friday is also a local holiday, U.S. Embassy Singapore will observe the local holiday the preceding Thursday.*

## Temporary Entry of Materials or Personal Belongings

Goods may be temporarily imported under the Temporary Import Scheme for a period of six months and for purposes such as repairs, testing and stage performances, auctions, displays, exhibitions or other similar events without the payment of duty and/or GST. A banker's guarantee is required under the Temporary Import Scheme. The temporary imports are covered by a Customs Inward Permit or a Carnet. Goods temporarily imported must be re-exported within the prescribed period using a Customs Outward permit. GST has to be paid if the goods are not subsequently re-exported. The procedures governing such importation can be found at the [website of Singapore Customs](#).

## Admission Temporaire/Temporary Admission (ATA) Carnet

A foreign exhibitor may import exhibition goods into Singapore using an ATA carnet. When the exhibitor arrives in Singapore, the carnet must be produced together with the goods to Customs at the entry point for verification and endorsement. When goods covered by a carnet are taken out of Singapore, the foreign exhibitor must produce the carnet together with the goods to Customs at the exit point for verification and endorsement. GST will be recovered from the carnet holder on any item that is unaccounted for. For more information on Temporary Importation for Exhibition, Auction and Fairs or Temporary Import Scheme, please contact the following or visit the [website of Singapore Customs](#).

## **Travel Related Web Resources**

[State Department Travel Section](#)

[State Department Traveler's Checklist](#)

[State Department Singapore Fact Sheet](#)

[Embassy of the Republic of Singapore](#)

[U.S. Visas](#)

[U.S. Embassy in Singapore](#)

[ESTA Application](#)

[Changi International Airport](#)

[Insurance Providers for Overseas Travelers](#)

[Centers for Disease Control and Prevention](#)

[World Health Organisation](#)

[World Health Organisation: International Travel and Health](#)

[Ministry of Health](#)

[Singapore Customs: Temporary Import Scheme](#)