

# Final Report

Legal system of Singapore and Legal Information related  
to Trade and Investment in Singapore

Presented to

Office of the Council of State

By

Thailand Development Research Institute

July 2016

## Research Team

Dr. Boonwara Sumano Chenphuengpaw	Project leader
Dr. Deunden Nikomborirak	Advisor
Napanang Ek-Akara	Legal specialist
Weerawan Paibunjitt-aree	Researcher
Nisakorn Lertpatcharanun	Researcher
Siraporn Tootian	Secretary and Coordinator

# Table of Content

	Page
Table of Content.....	i
List of Tables and Figures .....	iii
Chapter 1 Singapore's Legal System: An Overview .....	1-1
1.1 Brief history of Singapore's law .....	1-2
1.2 Legal system .....	1-9
1.3 Source of Law .....	1-13
1.4 Hierarchy of law .....	1-15
1.5 Court system and law interpretation .....	1-19
1.6 State of legal enforcement and its complication .....	1-28
Conclusion.....	1-31
Chapter 2 Trade and Investment Laws in Singapore .....	2-1
2.1 Goods and Services Trade Laws .....	2-2
2.2 Foreign Investment .....	2-48
2.3 Immigrant (Immigration and Residency) .....	2-65
2.4 Business Laws .....	2-84
2.5 Land and Land Utilization Laws .....	2-109
2.6 Labour Laws.....	2-122
2.7 Intellectual Property Laws.....	2-135
2.8 Dispute settlement mechanism .....	2-147
Conclusion.....	2-152

## Table of Content

	Page
<b>Chapter 3 State agencies with relevant authority .....</b>	<b>3-1</b>
3.1 Accounting and Corporate Regulatory Authority (ACRA) .....	3-3
3.2 Economic Development Board (EDB) .....	3-5
3.3 Immigration and Checkpoints Authority (ICA) .....	3-6
3.4 Infocomm Development Authority of Singapore (IDA) .....	3-7
3.5 Inland Revenue Authority of Singapore (IRAS) .....	3-9
3.6 Intellectual Property Office of Singapore (IPOS) .....	3-10
3.7 Media Development Authority (MDA) .....	3-12
3.8 Ministry of Manpower (MOM).....	3-13
3.9 Ministry of Trade and Industry Singapore (MTI) .....	3-15
3.10 Monetary Authority of Singapore (MAS) .....	3-17
3.11 Singapore Customs (SC) .....	3-18
3.12 Singapore International Arbitration Center (SIAC) .....	3-19
3.13 Singapore Land Authority (SLA) .....	3-20
3.14 Urban Redevelopment Authority (URA).....	3-22
Conclusion.....	3-25
<b>References.....</b>	<b>R-1</b>
<b>Appendix .....</b>	<b>A-1</b>

## List of Tables

Table 2.1	Sectors with Most Favoured Nation Treatment Exemptions?.....	2-21
Table 2.2	Sector-Specific Commitments .....	2-22
Table 2.3	Requirements and scope of training for Clinical Fellow and Clinical Observer .....	2-35
Table 2.4	Employment permits for high-skilled workers and professionals.....	2-73
Table 2.5	S Pass quota and levy requirements .....	2-78
Table 2.6	Work Permit quota and levy requirements .....	2-78
Table 2.7	Application process for S Pass and WP .....	2-80
Table 2.8	Forms of business operation .....	2-85
Table 2.9	Corporate income tax rate in Singapore .....	2-92
Table 2.10	Personal income tax rate in Singapore.....	2-93
Table 2.11	Rates of GST .....	2-95
Table 2.12	Stamp Duties Rates .....	2-97
Table 2.13	Sectors in ACIA Reservation List.....	2-107
Table 2.14	Residential Tax Rates in Singapore.....	2-118
Table 2.15	Example of Non-Owner-Occupied Residential Property tax calculation	2-119
Table 2.16	Payment for work on a rest day .....	2-125
Table 2.17	Sick leave per year for regular workers .....	2-126
Table 2.18	Patent annual fee rates .....	2-139

## List of Figures

Figure 2.1	Investment Permit Application & Business Registration in Singapore .....	2-50
Figure 2.2	Foreign Business Registration in Singapore .....	2-88
Figure 2.3	Procedure of patent application through PCT .....	2-138



# Chapter 1

## Singapore's Legal System: An Overview

Singapore or officially known as Republic of Singapore is a city-state, of which geography is an island in the Southeast Asian region. It is located on the southernmost end of the Malay Peninsula, and separated from Malaysia by the Straits of Johor, and from Indonesia by the Straits of Singapore. The geological advantage has helped Singapore to control the maritime route in the Straits of Malacca, which links the Indian Ocean and the South China Sea. This allows Singapore to become the biggest sea port in Southeast Asia.<sup>1</sup>

Being one of the world's most important ports but having limited natural resources, Singapore is highly dependent on international trade and investment. This results in relatively liberal trade and business laws which aim to attract foreign investment. The Global Competitiveness Report 2014-2015 prepared by The World Economic Forum ranked Singapore as the second most competitive economy in the world, and the most competitive in Asia.<sup>2</sup> Moreover, the World Bank has consecutively endorsed Singapore with the first place, out of 189 countries in total, on ease of doing business index chart in 2013 and 2014.<sup>3</sup>

Example of trade and investment laws in Singapore that facilitate foreign investment is the Companies Act (Chapter 50). The Act stipulates rules on establishment of companies in Singapore, and is enforced equally to both locals and foreigners. Moreover, foreign investors are not required to joint-venture with the locals in order to establish their businesses in Singapore, except those in five services sectors which are

---

<sup>1</sup> Encyclopaedia Britannica, "Singapore,"

<http://webcache.googleusercontent.com/search?q=cache:kN439jqgENMJ:www.britannica.com/EBchecked/topic/545>

<sup>2</sup> Klaus Schwab, ed., The Global Competitiveness Report 2012-2013 (Geneva: World Economic Forum, 2012), 318-19.

<sup>3</sup> World Bank, Doing Business 2014 Economy Profile: Singapore: Comparing Business Regulations for Domestic Firms in 189 Economies (Washington, DC: World Bank, 2014), 5.

still regulated by the government namely telecommunication, broadcasting, newspaper and printing, financial services, and legal services related to Singapore's laws.

Apart from having laws that facilitate trade and investment, another factor which places Singapore on the top competitiveness ranking is its strong legal system and firm belief in the sanctity of contracts, as well as strict following of judicial decisions.<sup>4</sup> Nevertheless, the relationship between the executive, the legislative, and the judicial branches sometimes causes problems in legal enforcement, as will be elaborated later in this chapter.

Chapter 1 aims to present the overall outlook of Singapore's legal system, which is fundamental to the understandings of trade and investment related laws in Singapore presented in the next chapter. This chapter is divided into six topics namely Brief history of Singapore's law, Legal system, Source of law, Hierarchy of law, Court system and interpretation of law, and State of law enforcement and its complication.

## 1.1 Brief history of Singapore's law

Singapore was once under the control of Portugal in 1511 before becoming a colony of the Dutch which replaced Portugal as a world major power in the 17<sup>th</sup> Century. Afterwards, Singapore became a colony under the British Empire in 1819. In 1963, Singapore declared independence from the British by joining the Federation of Malaysia, and finally separated from the Federation of Malaysia as a sovereign republic on 9 August 1965. As a result, 9 August is annually celebrated as Singapore's National Day.

Since the present legal system in Singapore has significantly developed from the time when it was under the British Empire, the research team divides the history of Singapore's law into two periods: The colonial period until independence (1819-1965), and National establishment until present (1965-2014).

---

<sup>4</sup> Bureau of Economic and Business Affairs, Department of State, United States of America, "2013 Investment Climate Statement- Singapore," <http://www.state.gov/e/eb/rls/othr/ics/2013/204730.html> (accessed on 15 February 2014).



### 1.1.1 The colonial period until independence (1819-1965)

The beginning of Singapore's legal system was the appointment of Singapore as a sea port by Sir Thomas Stamford Raffles, the representative of British East India Company, in 1819 with an aim to protect the British interest in trade routes to China and the East Indies. At the time, Singapore had only around a hundred inhabitants, most of which were Malay fishermen, and was under the control of Sultan of Johor and Temenggong.

Under the agreement signed on 19 November 1824, the Sultan ceded his control over Singapore to the British East India Company.<sup>5</sup> Beside Singapore, the British East India Company also gained Malacca and Penang, and brought the three towns under Straits Settlement Territory – with Singapore as the capital city of the territory.<sup>6</sup> In the initial period after Singapore was transferred to the British East India Company, the legal system had been highly confusing. Then the British Empire issued the Second Charter of Justice to establish courts in Singapore, Penang, and Malacca in 1826.<sup>7</sup>

Even though the Charter did not clearly stipulate which laws the newly established courts would enforce, it was concluded – after a series of interpretations during 1835-1890, and especially the judicial decision on *Regina v Willans* delivered by Sir Benson Maxwell R<sup>8</sup> – that the Second Charter of Justice had enabled any English laws still enforcing on 27 November 1826, the date on which the Charter was issued, to

---

<sup>5</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN – Singapore: Chapter 1 Historical Overview," [http://www.aseanlawassociation.org/papers/sing\\_chp1.pdf](http://www.aseanlawassociation.org/papers/sing_chp1.pdf) (accessed on 18 July 2014).

<sup>6</sup> Michael Barr et. al., *World and Its People: Malaysia, Philippines, Singapore, and Brunei* (New York: Marshall Cavendish, 2008), 1287.

<sup>7</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN."

<sup>8</sup> *R v Willans* [1858] 3 Ky 16. This case happened in Penang in 1858. A Magistrate named Willans was sued because he had refused to review a case, citing that the alleged offender had been convicted and punished before on the same count and hence he could not be convicted again. Sir Benson Maxwell R., the presiding judge in this case, had to consider whether Willans' refusal on the ground of double jeopardy was valid, and according to which law.

be enforceable in Singapore. This conclusion was known as "the general reception of English law".<sup>9</sup>

Nevertheless, not every English law had been enforced in Singapore. Neither the British common law, imperial practice, nor the Second Charter of Justice mentioned the scope of implementing English laws in Singapore; therefore, each court in the Straits Settlement Territory needed to consider the application of English laws in individual state as it saw appropriate, or refer the matter to the Privy Council of England to decide. The uncertainty of the application of English laws in colonies had been raised for consideration many times. Finally, the judges in Straits Settlement Territory mutually arrived at a conclusion that the application of English laws in the Straits Settlement Territory would follow the three conditions below.

(A) The adopted English law must be the law of general policy and application. This followed the decision of the Privy Council on a case in Penang court between Yeap Cheah and Ong Cheng Neo in 1875.<sup>10</sup> According to the decision, English laws involving superstitious uses<sup>11</sup> and mortmain could not be applied in the Straits Settlement Territory because these laws were enacted according to the particular local conditions in England. However, the English regulation ensuring free alienability of land could be applied to Penang. As a result, any English law which was enacted before 1826 would

---

<sup>9</sup> Singapore Academy of Law, "Laws of Singapore," <http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-1> (accessed on 21 July 2014).

<sup>10</sup> *Yeap Cheah Neo v Ong Cheng Neo* (1875) LR 6 PC 381. In this case, a Chinese widow received a will from her deceased husband to construct a house for religious ceremony, in which a priest or a monk would pray for their souls for perpetuity. The Judicial Committee ruled that such practice was not allowed as it was not in the public interest.

<sup>11</sup> The Black's Law Dictionary (Seventh Edition) defines "superstitious use" as "[A] designation or use of property for religious purposes not legally recognized or tolerated (such as gifts either favouring an unrecognized religion or supporting the saying of prayers for the dead)."

be applied in the Straits Settlement Territory as long as it was a general policy and application.<sup>12</sup>

(B) The English law must be suitable to local religions, manners, and customs. Some English laws of general policy and application in the above category (A) also needed to be revised according to the local conditions in the Straits Settlement Territory in order to prevent injustice and oppression over the indigenous people. Most English laws that were modified involved family-related issues such as marriage, divorce, adoption, and inheritance. These laws were not seen to contradict the British trade interest. On the other hand, English laws affecting the Imperial trade interest such as contract, commercial, procedure, and evidence would be automatically applied to the Straits Settlement Territory without modification.<sup>13</sup>

(C) The English laws must be subject to local legislation. In general, if there was local law already enforced in a state of the Straits Settlement Territory, an English law of the same matter should not be received by such state.

In 1858 the British East India Company was dissolved by the East India Stock Dividend Redemption Act 1873 issued by the British Parliament, resulting in the transfer of Straits Settlement Territory to the government of India.<sup>14</sup> Singapore had remained the administrative center of the Strait Settlement Territory until 1867 when Straits Settlement Territory was separated from the government of India, placed under the Colonial Office in London, and became a Crown colony.<sup>15</sup> The legislative authority was then transferred to the Legislative Council of the Straits Settlements. However, laws that were still valid on

---

<sup>12</sup> Frederick Madden and David Kenneth Fieldhouse, ed., Settler Self-government, 1840-1900: The Development of Representative and Responsible Government (Westport, Connecticut: Greenwood Publishing Group, 1990), 107-109.

<sup>13</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN."

<sup>14</sup> Kevin YL Tan, "A Short Legal and Constitutional History of Singapore," In Essays in Singapore Legal History, ed. Kevin YL Tan (Singapore: Singapore Academy of Law & Marshall Cavendish, 2005), 36.

<sup>15</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN."

the date of the transfer such as those enacted during the period when Singapore was under the government of India were allowed to continue.

During the Second World War (1942-1945), Singapore had been occupied by Japan. The judicial system, laws and regulations enforced in Singapore during that period, therefore, came from the Japanese government. Nevertheless, when the Japanese army surrendered in 1945, the British returned to Singapore and abolished all the Japanese-enacted laws and regulations.<sup>16</sup>

In 1946, the following year, the Straits Settlement Territory was dissolved. Singapore became a separate colony with its own legislative power, while Malacca and Penang were annexed into the then Federated Malay States and later changed the name into the Federation of Malaya.

In 1959 Singapore received internal self-governance and became the State of Singapore.<sup>17</sup> Four years later, Singapore joined Sarawak, North Borneo, and the Federation of Malaya in order to establish the Federation of Malaysia in 1963. This effectively ended the British control over Singapore.<sup>18</sup> As a result, during the time when Singapore was in the Federation of Malaysia, federal laws were also enforced in Singapore.

However, due to the difference in political perspectives, Singapore left the Federation of Malaysia and became an independent republic on 9 August 1965.

#### **1.1.2 National establishment until present (1965-2014)**

The Independence of Singapore Agreement which was signed by the government of Malaysia and the government of Singapore on 7 August 1965 in Kuala Lumpur resulted in the official separation of Singapore from the Federation of Malaysia.<sup>19</sup>

---

<sup>16</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN."

<sup>17</sup> Ibid.

<sup>18</sup> Michael Barr et. al., World and Its People.

<sup>19</sup> "The Independence of Singapore Agreement 1965," August 7, 1965, United Nations Treaty Collection, no. 8206.

Another law which is significant to the independence of Singapore is the Republic of Singapore Independence Act 1965, which stipulates that the Yang di-Pertuan Agong was no longer the Supreme Head of State. The executive power shall belong to Singapore's Head of State, while the legislative power which formerly belonged to the Yang di-Pertuan Agong and Malaysian Parliament shall be transferred to the Head of State of Singapore, who will use it through Singapore's Parliament.<sup>20</sup> According to Section 17 of the Constitution of the Republic of Singapore, the Head of State of Singapore is the President who comes from election.<sup>21</sup>

After gaining the independence and its separation from the Federation of Malaysia, British influence remained in Singapore. For example, British common law has continued as the crucial source of law in Singapore, and the Singapore's Parliament also took after the English Parliament. That is, the type of parliament that consists of two or more parties and the check and balance mechanism relies mainly on the ability of the opposition to overcome the ruling party by winning the next general election. However, since the People's Action Party (PAP) had won every election for the past 50 years since the establishment of the Republic, the check and balance mechanism was absent in Singapore.<sup>22</sup>

However, the legal system of Singapore contains some distinct differences from the British model. For example, Singapore has a written Constitution, of which Section 4 stipulates that the Constitution is the supreme law of Singapore and any law which

---

<sup>20</sup> Singapore Statutes Online, "Republic of Singapore Independence Act," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;page=0;query=DocId%3A%22cc15e67-cf27-44b1-a736-f28ab8190454%22%20Status%3Apublished%20Depth%3A0;rec=0> (accessed on 22 July 2014).

<sup>21</sup> Singapore Statutes Online, "Constitution of the Republic of Singapore," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=e9d2c6a1-07ab-4995-9495-de6288a93701;page=0;query=DocId%3A%22cf2412ff-fca5-4a64-a8ef-b95b8987728e%22%20Status%3Ainforce%20Depth%3A0;rec=0#legis> (accessed on 25 July 2014).

<sup>22</sup> Thio Li-ann, "Legal Systems in ASEAN- Singapore: Chapter 3 – Government and the State," [http://www.aseanlawassociation.org/papers/sing\\_chp3.pdf](http://www.aseanlawassociation.org/papers/sing_chp3.pdf) (accessed on 25 July 2014).

contradicts the Constitution is void.<sup>23</sup> Furthermore, Singapore also abolished the role of the Privy Council as the Supreme Court of Singapore on 8 August 1994, claiming that the judges in Privy Council were no longer familiar with the local conditions in Singapore.<sup>24</sup>

At the same time, since its declaration of independence, some English laws had been modified and incorporated into Singapore's own written laws. For instance, Section 5 of Civil Law Act (Chapter 43) directs the implementation of British commercial laws in Singapore.<sup>25</sup> Nevertheless, this Section was widely debated due to the uncertainty of its scope of application. Finally, when United Kingdom joined the European Economic Community (EEC) which suggested the possibility that English commercial laws would transform according to the EEC conditions and thus would be no longer suitable to Singapore, Section 5 was cancelled in 1993 by the introduction of the Application of English Law Act (AELA). The AELA, regarded as an important law which increases the certainty of the application of English laws in Singapore, has two objectives: to clarify the application of English laws, and to free commercial laws of Singapore from any future change of English trade laws.<sup>26</sup>

Although the foundation of Singapore's legal system essentially originated from the British model, influences of laws from other countries can also be found in Singapore. For example, the Singapore Penal Code and Evidence Act has root in the India Penal Code, while Companies Act (Chapter 50) which is a key law directing

---

<sup>23</sup> Singapore Statutes Online, "Constitution of the Republic of Singapore."

<sup>24</sup> Thio Li-ann, "Legal Systems in ASEAN."

<sup>25</sup> Section 5 (1) Civil Law Act (Chapter 43, 1988 Rev Ed.) "Subject to this section, in all questions or issues which arise or which have to be decided in Singapore with respect to the law of partnerships, corporations, banks and banking, principals and agents, carriers by air, land and sea, marine insurance, average, life and fire insurance, and with respect to mercantile law generally, the law with respect to those matters to be administered shall be the same as would be administered in England in the like case, at the corresponding period, if such question or issue had arisen or had to be decided in England, unless in any case other provision is or shall be made by any law having force in Singapore."

<sup>26</sup> Wendy Chang Mun Lin, "Legal Systems in ASEAN."

company establishment in Singapore shares similarities with the Australian law more than with English law.<sup>27</sup>

## 1.2 Legal system

As mentioned earlier, Singapore's legal system was significantly influenced by the British common law, which was a result of more than 150 years of colonization (1819-1963). Nevertheless, the local conditions in both England and Singapore have changed according to the external and internal environments. This rendered Singapore to repeal some of the British laws, and developed its own laws suitable for domestic conditions. This section divides the presentation into two parts, namely an overview of the influence of common law, and an overview of laws developed by Singapore.

### 1.2.1 The influence of Common law

As already mentioned in the previous section, the British influence could be seen in both Singapore's legal system and form of government. By adopting the British legal system, Singapore's legal system is recognised for having international standard, stability, and consistency. Furthermore, the colonial legacy facilitates communication and cooperation with neighbouring countries such as Malaysia, Brunei, and Myanmar, all of which share similar legal backgrounds as a result of being formerly ruled by the British.<sup>28</sup>

The common law system in Singapore is founded on judicial precedent, also known as *stare decisis* doctrine.<sup>29</sup> This takes in two forms. The first of which is that the decisions of high courts bind the decision of the lower courts. For example the decisions of the High Court, District Court, and Magistrate's Court will have to base on the

---

<sup>27</sup> Helena HM Chan, The Legal System of Singapore (Chatswood: LexisNexis Butterworths Australia, 1995): 20.

<sup>28</sup> Eugene Tan and Gary Chan, "The Singapore Legal System," <http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-1#Section3> (accessed on 25 July 2014).

<sup>29</sup> Leonard Goh Choon Hian, "Legal Systems in ASEAN- Singapore: Chapter 2 – Sources of Law," [http://www.aseanlawassociation.org/papers/sing\\_chp2.pdf](http://www.aseanlawassociation.org/papers/sing_chp2.pdf) (accessed on 25 July 2014).

decisions of the Court of Appeal. That is, a court of first instance or an inferior court must follow the judicial decision of higher court on similar case. The second form of the *stare decisis* doctrine is that courts generally consider precedent judicial decisions on similar cases. For example, the High Court would consider the judicial decisions of the High Court on previous similar cases. The *stare decisis* doctrine was applied in Singapore to traditional common law areas such as contracts, torts and restitution.

Example of the influence of *stare decisis* doctrine on Singapore's contracts law is the case between Master Marine AS and Labroy Offshore Ltd in 2012.<sup>30</sup> The Court of Appeal followed its previous decision on Zurich Insurance (Singapore) Pte Ltd v Master Marine B-Gold Interior Design & Construction Pte Ltd (2005)<sup>31</sup> when interpreting the disputed contract.<sup>32</sup>

---

<sup>30</sup> *Master Marine AS v Labroy Offshore Ltd* [2012] 3 SLR 125. Master Marine AS (hereafter called MM) hired Labroy Offshore Ltd (hereafter called Labroy) to construct an offshore rig. Later, Labroy could not deliver the rig within the time agreed in the contract. MM then attempted to demand a refund under the Refund Guarantee in the contract, which the banks guaranteed on behalf of Labroy. Among other issues warranted consideration by the Court of Appeal was the interpretation of the Refund Guarantee part. Labroy claimed that the delay was a result of several modification of the rig design demanded by MM. The case started in the High Court which issued an injunction to restrain the banks from paying MM. The Court of Appeal later re-interpreted the contract and discharged the injunction. The decision of the Court of Appeal was based on the judicial decision on Zurich Insurance (Singapore) Pte Ltd v B-Gold Interior Design & Construction Pte Ltd, which dictated "that all the terms of the agreement between the parties are contained in the contract." Therefore, since the contract indicated that Labroy would pay the refund in case of delayed construction, MM should be granted the refund regardless of what caused the delay.

<sup>31</sup> *Zurich Insurance (Singapore) Pte Ltd v B-Gold Interior Design & Construction Pte Ltd* [2008] 3 SLR(R) 1029. A construction company called B-Gold Interior Design & Construction Pte Ltd (hereafter called B-Gold) had bought a contractors' all-risks or CAR Policy from Zurich Insurance (Singapore) Pte Ltd (hereafter called Zurich). Afterwards there was a fire accident caused by a subcontractor of B-Gold. One of the issues filed before the court was whether or not the Third Party Action in the CAR Policy covered the subcontractor. Originally the District Court had dismissed the allegation made by B-Gold against Zurich. However, the High Court took the appeal from B-Gold and set aside the decision of the District Court. Finally Zurich appealed to the Court of Appeal which ruled that the CAR Policy did not cover this fire accident because the policy did not stipulate that the Third Party Action includes subcontractor's action.

<sup>32</sup> Goh Yihan, "Developments in Singapore Contract Law in 2012,"

[http://www.lexology.com/\(F\(BEw2FJy5rTK4kdbQLu71\\_EI9j82pfWQW7df6w5waS66nM9FmtD1Is23iPbbXG6ktmTFrgb-](http://www.lexology.com/(F(BEw2FJy5rTK4kdbQLu71_EI9j82pfWQW7df6w5waS66nM9FmtD1Is23iPbbXG6ktmTFrgb-)



On a similar vein, the courts in Singapore also apply *stare decisis* doctrine by following judicial precedent made by British courts, especially in economic torts. For instance, the RSP Architects, Planners & Engineers v Management Corporation Strata Title Plan No 1075 and Ocean Front Pte Ltd in 1995,<sup>33</sup> in which the Court of Appeal in Singapore considered along the line of a similar case in England namely the Anns v Merton London Borough Council (1978),<sup>34</sup> which also largely based on the Donoghue v Stevenson (1932)<sup>35</sup> – one of the most often cited cases in tort and restitution law in both Singapore and England.<sup>36</sup>

---

[vUthCVqvJp7OITVaqzQxfk-aRC9GEoWHWPiFgGp3-C2AkMDRei1aG4lQslXRvC6nQjZnAjqHs7SOl-2KChKyYo0kezBGdQFfB6Ro0MY85MdwoGZo8oiFVSSyNldKw1\\_zw8qQ-mG\\_BYWy-CyOUGkU1\)\)/library/document.ashx?g=fac05dcc-4b24-4a7c-a7f6-c04b936d640f&b=%2FJ0QUz4gvQXbM8WpenxyqcLz9kywJMjkUzkMAMqQi5g%3D&bt=2014-07-03T15%3A01%3A21.2961581%2B01%3A00&noredirect=1](http://vUthCVqvJp7OITVaqzQxfk-aRC9GEoWHWPiFgGp3-C2AkMDRei1aG4lQslXRvC6nQjZnAjqHs7SOl-2KChKyYo0kezBGdQFfB6Ro0MY85MdwoGZo8oiFVSSyNldKw1_zw8qQ-mG_BYWy-CyOUGkU1))/library/document.ashx?g=fac05dcc-4b24-4a7c-a7f6-c04b936d640f&b=%2FJ0QUz4gvQXbM8WpenxyqcLz9kywJMjkUzkMAMqQi5g%3D&bt=2014-07-03T15%3A01%3A21.2961581%2B01%3A00&noredirect=1) (accessed on 27 July 2014).

<sup>33</sup> *RSP Architects Planners & Engineers (formerly known as Raglan Squire & Partners FE) v Management Corporation Strata Title Plan No 1075 and another* [1999] 2 SLR(R) 134; [1999] SGCA 30. This case started with an accident involving some bricks of a condominium falling and damaging another building nearby. The Management Corporation Strata Title Plan No 1075 (hereafter called MCST) repaired the damage, strengthened the building to avoid future accident, and then demanded reconstitution from RSP Architects Planners & Engineers (hereafter called RSP), the planner of the building, on the ground of negligence. RSP claimed that the accident was actually a result from improper construction made by Ocean Front Pte Ltd, which was also sued by RSP. The High Court ruled in favour of MCST and dismissed the case made by RSP against Ocean Front Pte Ltd. RSP later appealed but the Court of Appeal affirmed the judgment of the High Court because it was considered that RSP had duty of care to MCST.

<sup>34</sup> *Anns v Merton London Borough Council* [1978] AC 728. Merton London Borough Council which gave approval to the construction of buildings in the borough was sued by the residents in a flat called Anns on the ground of negligence by not inspecting the construction of the flat which led to damages and cracks in the flat eight years later. In this case, the Court of Appeal had to consider whether the Merton London Borough Council had duty of care to the residents of the building, which the Court ruled that it did.

<sup>35</sup> *Donoghue v Stevenson* [1932] AC 562. Mrs. Donoghue drank ginger ale of a brand and found remains of snail in the drink which made her sick. She then sued for restitution from the producer of ginger ale, Mr. Stevenson. The court's decision was that Mr. Stevenson had duty of care to the consumer.

<sup>36</sup> Singapore Academy of Law, "Ch. 20 The Law of Negligence," <http://www.singaporelaw.sg/sglaw/laws-of-singapore/commercial-law/chapter-20> (accessed on 29 July 2014).

### 1.2.2 An overview of laws developed by Singapore

During the initial period after gaining independence, Singapore had continued developing the country after England, not only in legal and court system, but also in government form, as mentioned earlier. Nevertheless, the desire to develop the country in its own way emerged, starting with the limit of appeal cases that could be referred to the Privy Council in 1989. The Application of the English Law Act (AELA) was finally introduced in 1993. Section 3 (1) of AELA stipulates that English common law, including judicial procedures and rules that were parts of Singapore's laws before 12 November 1993 shall remain effective in Singapore. Moreover, Section 3 (2) of AELA adds that the English common law is enforceable in Singapore as long as it is considered suitable to the local conditions of Singapore and is subject to modification if necessary.<sup>37</sup>

However, the influence of English legal system can still be seen in some written laws in Singapore. These can be put into two categories, one is the Imperial Acts which essentially relate to territorial water, and another is the English Acts which comprise of trade-related laws.

Example of statutes developed by Singapore after gaining independence is the Constitution, the supreme law of the state. Any law which contradicts whatever is written in the Constitution is void or unenforceable. Acts, issued by the Parliament, are second from the Constitution. At present, Singapore has around 400 statutes<sup>38</sup> which are subject to revision as domestic conditions vary.

Some written laws in Singapore also have influence from other former British colonies. For instance, the Companies Act (Chapter 50) shares similar procedures and rules with Australia and Hong Kong such as the absence of retirement conditions for the company director, the requirement for the director to declare his/her shareholding

---

<sup>37</sup> Singapore Academy of Law, "Laws of Singapore."

<sup>38</sup> Leonard Goh Choon Hian, "Legal Systems in ASEAN."

information, and the right of the company to issue various types of stocks according to voting right in the company.<sup>39</sup>

Singapore's Penal Code and Evidence Act is heavily influenced by the Penal Code of India, also a former British colony, to the point that they are almost identical.<sup>40</sup> Nevertheless, the changing circumstance induced Singapore to revise some parts of the Penal Code. Most of the revisions are, however, often about penalty for violation. For example, Singapore revised the Penal Code in 1998 by adding 1.5 times of the penalty for harm against foreign workers in Singapore which has limited resource of workers and thus heavily depends on foreign workers as crucial force of the national economy.

It should be noted that, even though Singapore's statutes are influenced by other former British colonies, the origin of laws in these countries is essentially the British. As such, England was the country which laid out the legal foundations in those ex-colonial countries, including Singapore. The Penal Code of India, for example, which has influence upon Singapore's Penal Code was actually modelled after the English criminal law.

### 1.3 Source of Law

Source of law in Singapore comprises written law and unwritten law, which include case law and custom. This section presents the overview of each source of law in Singapore.

#### 1.3.1 Written law

This refers to laws which are issued by the Parliament or other institutions which formerly had legislative authority. As previously stated, the supreme law of Singapore is

---

<sup>39</sup> Ministry of Finance Singapore and Accounting and Corporate Regulatory Authority, "Review of the Singapore Companies Act: Ministry of Finance's Responses to the Report of the Steering Committee for Review of the Companies Act 3 October 2012," [http://app.mof.gov.sg/data/cmsresource/SC\\_RCA\\_Final/AnnexA\\_SC\\_RCA.pdf](http://app.mof.gov.sg/data/cmsresource/SC_RCA_Final/AnnexA_SC_RCA.pdf) (accessed on 29 July 2014).

<sup>40</sup> Chan Wing Cheong and Michael Hor, "Introduction: Constitutionalism and Criminal Justice," *Singapore Academy of Law Journal* 25 (2013): 653.

the Constitution and no law can contradict it. Hence, statutes which were enacted by the British or Indian government during the colonial era could still be enforceable in Singapore, as long as they do not contradict the Constitution.

Following the Constitution is the Act of Parliament or Act, which refers to statutes which are drafted and approved by the Singapore's Parliament. This can be compared to the Act of Parliament in Thailand. Acts are normally followed by subsidiary legislations which contain procedural detail of the Acts. More information on the hierarchy of law is presented in Section 1.4.

It should be noted that international agreements/treaties are not regarded as source of law in Singapore. Although the Constitution of Singapore does not require that international agreement/treaties must first receive approval from parliament or the legislative, and hence in effect allows the government of the executive to enter any international agreements/treaties, the effect of such international agreements/treaties on domestic laws in Singapore is limited. This is because the Constitution dictates that the legislative power shall rest with the Parliament. Therefore, any international agreements or treaties that Singapore participated must be enacted as domestic statutes by the parliament in order to be legally enforceable in Singapore.<sup>41</sup>

### 1.3.2 Unwritten law

There are two types of unwritten law that are sources of law in Singapore: case law and custom.

(A) Case law, among the two types of unwritten law, is the most important source of law in Singapore. As already explained in Section 1.2, the key principle of common law is the *stare decisis* doctrine which emphasizes the importance of judicial decision of the court with superior levels, and previous judicial decisions on similar cases. The objective of this doctrine is to ensure consistency and certainty in justice system. In other words, cases with similar conditions shall receive similar consideration and

---

<sup>41</sup> Lim Chin Leng, "Singapore and International Law," <http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-5> (accessed on 26 August 2014).

judgement. Nevertheless, judicial decisions do not resemble in every detail. The judges normally treat case law only as *ratio decidendi*, the rationale for court decision.<sup>42</sup> Apart from case law in Singapore, judicial decisions of the courts in England and countries in the Commonwealth are also sometime applied by the courts in Singapore, as shown in the example of tort and restitution law in Section 1.2. Most of the decisions of Supreme Court in Singapore since late 19<sup>th</sup> Century are gathered in Singapore Law Report, which is published four times yearly.

(B) Custom is the behaviours or practices which only become legally enforceable if recognised in case law.<sup>43</sup> Since the introduction of the Second Charter of Justice in 1826 which was the acceptance of English law by Singapore when it was a part of the Straits Settlement Territory. One of the conditions of acceptance was that the English law must not cause oppression and injustice among the indigenous people. A clear example is the English family law was revised to be suitable to the local custom of the natives such as Chinese, Malay, and Hindi. This principle of avoiding mistreatment to the local people was reaffirmed in The Application of English Law Act, which directs that any English laws received before 12 November 1993 shall continue to be effective in Singapore as long as such laws are suitable to the conditions in Singapore.

## 1.4 Hierarchy of law

As mentioned in Section 1.3, Singapore has written law. The hierarchy of law in Singapore differs according to the types of statutes. This section presents the hierarchy of law in Singapore, which can be divided into three levels: the Constitution, Acts, and subsidiary legislation.

### 1.4.1 The Constitution

The Constitution is the supreme law of Singapore no law can contradict what is written in the Constitution. The Constitution was declared when Singapore became an

---

<sup>42</sup> Leonard Goh Choon Hian, "Legal Systems in ASEAN."

<sup>43</sup> Helena HM Chan, The Legal System of Singapore, 122.

independent republic on 9 August 1965. There are three crucial laws on which the Constitution of Singapore was based: the Constitution of the State of Singapore 1963, Republic of Singapore Independence Act 1965, and some parts of the Constitution of Malaysia which was received through the Republic of Singapore Independence Act.

The Constitution of Singapore comprises 14 parts and 163 sections. It essentially lays out fundamental principles (such as protection of sovereignty and the supremacy of the Constitution), institutional frameworks (e.g. scope of the executive power, legislative power, and judicial power), and fundamental rights of citizens (e.g. freedom of religion<sup>44</sup> and minority protection).

The Constitution can be amended. Section 5 stipulates that more than two third of the elected Members of Parliament may vote for approval of the draft amendment during the second and third hearings. However, some parts and sections such as Part IV Fundamental Liberties and Section 66 General Elections require national referendum and must have support from two third of the constituency.

#### 1.4.2 Acts of Parliament (Acts)

Acts of Parliament are second, after the Constitution, in the hierarchy of law, and they cannot contradict provisions in the Constitution. Acts are drafted and issued by the Parliament of Singapore after the President's approval. In general, an Act contains broad scope of particular matters while detailed and procedural matters are expanded in subsidiary. Each Act is assigned with a Chapter (Cap.) number, mostly in alphabetical order.

---

<sup>44</sup> Even though Section 15 is titled Freedom of religion, the content stresses on the "right" ("Every person has the *right* to profess and practise his religion and to propagate it."), and ends with its limitation ("This Article does not authorise any act contrary to any general law relating to public order, public health or morality."). The research team is of an opinion that there are two sections in Part IV Fundamental Liberties with tile of "freedom" – Section 15 Freedom of religion and Section 14 Freedom of speech, assembly and association. Both sections contain similar contents, addressing the right of citizens but at the same time underlying the conditions for state intervention of such right and freedom. It is well known that the freedom of expression and assembly in Singapore is limited. Hence, the tile of section may not truly reflect what is written in it (see footnote 61 and section 1.6 for examples).

The issuance process of an Act starts when a Bill was drafted and considered in the Parliament. Each Bill has to pass hearing and debate in the Parliament three times. During the third hearing, the Members of Parliament vote by majority rule to decide whether to endorse the Bill. The Parliament-approved Bill can then be passed to the Presidential Council for Minority Rights, whose responsibility is to ensure that the Bill would not negatively affect any minority groups on the ground of race or religion.<sup>45</sup> Upon the Council's approval, the Bill will then be presented to the President to sign. If the Council rules against the Bill but two third of the Members of Parliament vote for it, the Bill will also be passed to the President.

Apart from Acts that are introduced by the Parliament, there are Ordinances which are statutes enacted before Singapore's separation from the Federation of Malaysia in 1965. Examples of Ordinances are Straits Settlements Acts, and Federal Acts. Nevertheless, most Ordinances had been revised according to the changing environment in Singapore, and were renamed as Acts.

#### **1.4.3 Subsidiary legislation**

This refers to statutes which were enacted under Acts by authorities empowered by such Acts. The general objective of introducing subsidiary legislation is to lay down details about procedures and rule enforcement relating to the Acts. Hence, subsidiary legislation cannot conflict with the Act, or expand beyond the scope of the Act.

The issuance of subsidiary legislation involves easier and less complicated process than Acts, i.e. it does not have to be approved by the Parliament.<sup>46</sup> The consideration of the Presidential Council for Minority Rights is, however, mandatory to ensure that such subsidiary legislation would not have harmful impact on any groups or persons on the grounds of race and religion.

At present, subsidiary legislations are in six forms as follows.

---

<sup>45</sup> Leonard Goh Choon Hian, "Legal Systems in ASEAN."

<sup>46</sup> However, the Parliament will be notified about every issuance of subsidiary legislation, as traditionally practised in the UK.

(A) Regulation contains general information about provisions in the mother Act. For example, Goods and Services Tax (General) Regulations which was issued under Section 86 (1) of Goods and Services Tax Act (Chapter 117A) contains conditions for tourist refund.

(B) Rule involves general sequences of actions and procedures. For example, Petroleum (Transport and Storage) Rules explains the procedure of license application for petroleum transport and storage in Section 28 of Petroleum Act (Chapter 229).

(C) Order has provision concerning specific information such as a person or an institute. For example, Income Tax (Exemption of Foreign Income) (Consolidation) (No.2) Order grants exemption of income tax that was generated from doing business in Singapore to Fresico China Pte. Ltd.

(D) Notification is similar to Order, but gives more emphasis on general information to the public. For instance, Singapore Standard Time Notification, which was issued under Interpretation Act (Chapter 1), stipulates that the standard local time in Singapore shall be eight hours before Greenwich time.

(E) By-law sets regulations in local areas or agencies. For example, Town Council of Tampines (Common Property and Open Spaces) (Amendment No. 2) By-laws 2000, issued under Section 24 (1) of Town Council Act (Chapter 329A) indicates power and function of Town Council of Tampines in overseeing public grounds.

(F) Proclamation declares the legal status of a person or object. For example, Military Manoeuvres (Firing Ground) Proclamation, issued under Section 8 of Military Manoeuvres Act (Chapter 182), indicates areas which are firing grounds.

It should be noted that, all types of subsidiary legislations are of equal rank. The type of subsidiary legislation depends on the additional information the mother Act requires. This will be decided by the responsible agency such as Ministry of Defence or



Inland Revenue Authority of Singapore. Some Acts do not have any subsidiary legislation, while others have more than a hundred.<sup>47</sup>

In addition, some statutes in Singapore grant legislative power to the executive, which further complicates the separation of power in Singapore. For example, Third schedule of the Constitution empowers the Minister to issue laws for the purpose of exercising his functions under Section 140 (Citizenship), while Section 116 of the Constitution grants the Public Service Commission the power to make rules and regulations for carrying out its duties under the Constitution. It is noticed that most Acts sets out broad policies for the responsible agency to add the details and implementation form in subsidiary legislation as it sees appropriate.<sup>48</sup> This method seems more flexible and readily responsive to the changing domestic and international conditions, since the responsible agencies can adjust rules and regulations by themselves without having to wait for the Parliament to consider and vote in order to change provisions in the Acts.<sup>49</sup>

## 1.5 Court system and law interpretation

The court system in Singapore originated from the British court system. However, since the local conditions in both countries are fundamentally different, the court system in Singapore does not resemble every detail of the British model. Combining with the desire to have its own clear and independent governance system, Singapore then abolished the link between English law and Singapore's law in many ways. For instance, the introduction of the Application of English Law Act, and the abolition of Privy Council as the Supreme Court of Singapore in 1994.

---

<sup>47</sup> Ibid.

<sup>48</sup> Thio Li-ann, "Law and the Administrative State," 168.

<sup>49</sup> The research team is of an opinion that this practice is possible in Singapore because of its unique political condition. That is, the executive has almost complete control over the legislative as the ruling party has held the majority of Members of Parliament since the establishment of the country. At present, 80 out of the total 99 Members of Parliament are members of the People's Action Party (PAP). This suggests high probability that the Parliament would approve the Bill drafted by the government. Hence, in practice, many Acts in Singapore were shaped by the government.

Jurisdiction of court in Singapore stands on statutory basis.<sup>50</sup> The court system in Singapore comprises two main levels: the Supreme Court (which includes Court of Appeal and High Court), and State Courts (which comprise District Court, Magistrate's Court, Coroner's Court, and Small Claims Tribunals). This section presents overviews of the above courts in terms of their compositions and jurisdiction, as well as methods of interpretation used by the courts.

### 1.5.1 Supreme Court

The source, constitution and jurisdiction of Singapore Supreme Court come from two statutes namely the Constitution and Supreme Court of Judicature Act (Chapter 322).

Part VIII of the Constitution (covering Section 93-101) establishes and vests judicial power to the Supreme Court, identifies the composition of Supreme Court, i.e. Court of Appeal and High Court, as well as qualifications, appointment, and tenure of judges. It also prohibits the Parliament from discussing conduct of any judges of Supreme Court, except on a motion of which notice has been given by not less than one-quarter of the total number of the Members of Parliament. Furthermore, the President is also given the power to appoint Constitutional Tribunal, comprising no less than three Supreme Court judges, to review and give opinion about provisions under the Constitution.

Moreover, both High Court and the Court of Appeal have the power to revoke any provisions contradicting the Constitution. This happened only once in 1998 when the High Court ruled that Section 37 (1) of Prevention of Corruption Act (Chapter 241) was against the Constitution. The Court of Appeal, however, reversed the judgement of

---

<sup>50</sup> Yeo Tiong Min, "Jurisdiction of the Singapore Courts," In The Singapore Legal System, ed. Kevin YL Tan (Singapore: Singapore University Press, 1999), 255. Section 93 of the Constitution reads "The judicial power of Singapore shall be vested in a Supreme Court and in such subordinate courts as may be provided by any written law for the time being in force."

the High Court which rendered Section 37 (1) to continue effective.<sup>51</sup> Considering that the power of the Supreme Court to review and revoke any provisions deemed to be against the Constitution is one of the balance of power mechanism, similar to the power of the Parliament to discuss the conduct of the Supreme Court Judges, it could be said that the balance of power between the judicial and the legislative in Singapore has not been in effect fully.

The Court of Appeal is the highest appellate court for both civil and criminal matters. It comprises the Chief Justice, one or more vice-presidents of the court of Appeal, Judges of Appeal, and other High Court judges who may be appointed, on the request of the Chief Justice, to sit as a judge of the Court of Appeal. At least three or greater uneven number of Judges of Appeal must sit on the bench to review any civil or criminal cases. The decisions of the Court of Appeal are final and binding on all other lower courts.

It should be noted that not every case in Singapore can be appealed to the Court of Appeal. Section 34 of Supreme Court of Judicature Act (Chapter 322) lists non-appealable cases; for example, where the judgment or order of the High Court is expressly declared by any statutes to be final. Furthermore, in some cases, leaves of the High Court or Supreme Court are required before the appeal can be brought to the Court of Appeal; for instance, where a Judge makes an order refusing a stay of

---

<sup>51</sup> Thio Li-ann, "Legal Systems in ASEAN."; Jaclyn Ling-Chien Neo and Yvonne CL Lee, "Constitutional Supremacy: Still a little dicey," In Evolution of a Revolution: Forty Years of the Singapore Constitution, ed. Li-ann Thio and Kevin YL Tan (Oxon and New York: Routledge-Cavendish, 2009), 155-56. In the case *Taw Cheng Kong v. Public Prosecutor* [1998] SGHC 10, [1998] 1 S.L.R.(R.) 78, H.C., Mr. Taw who is a Singaporean citizen and an employee of the Government of Singapore Investment Corporation Pte. Ltd. (GIC) which is an investment company of the government was alleged for corruption charge in Hong Kong. The case began at the District Court which found Taw to be guilty. Taw then appealed to the High Court on the ground that Section 37(1) of Prevention of Corruption Act (Chapter 241) which dictates liability of citizens of Singapore for offences committed outside Singapore was against the Constitution – which does not specifically give the Parliament power to issue laws with extraterritorial effect. The provision was, therefore, *ultra vires*, and also discriminated against the citizens of Singapore which contradicts Section 12(1) of the Constitution that guarantees all persons to be equal before the law and entitled to the equal protection of the law.

proceedings. As mentioned earlier, the jurisdiction of courts in Singapore rests on written laws; therefore, the Court of Appeal cannot select appeal cases but has to accept cases as dictated by the laws.

In reviewing the appeal, the Court of Appeal can either review an appeal concerning judgement, order of the High Court in a civil case, and conviction or sentence in a criminal case. However, in a criminal case where the convicted had confessed, the ground for appeal is sentence-related only.<sup>52</sup>

High Court comprises the Chief Justice and Judges of High Court. The Chief Justice may require Judicial Commissioners of Supreme Court, who are appointed by the President upon the recommendation of the Prime Minister, to sit in the High Court. The High Court accepts civil and criminal cases which involve claims exceeding \$250,000<sup>53</sup> as court of first instance, and exercise other power designated by statutes such as the supervisory power over all subordinate courts according to Section 27 of Supreme Court of Judicature Act (Chapter 322). Other powers include those listed in the First Schedule of Supreme Court of Judicature Act (Chapter 322) such as issuing Prohibiting Order, and Order for Review of Detention which may be considered equal to the power to review administrative case, which will be elaborated later in this section.

Section 17A (1) of Supreme Court of Judicature Act (Chapter 322) prohibits the High Court from accepting cases indicated to be within the scope of Syariah Court by the Administration of Muslim Law Act (Chapter 3) such as marriage and divorce according to Muslim law. However, the High Court may review cases concerning Muslim people if the written laws stipulate that they are within the High Court jurisdiction, for instance, child custody and division of property on divorce. The limitation of court jurisdiction by written laws is another feature of Singapore's court system that departs

---

<sup>52</sup> Yeo Tiong Min, "Jurisdiction of the Singapore Courts," 267-69.

<sup>53</sup> The symbol \$ presented in this paper stands for Singapore Dollar, unless stated otherwise. At present, 1 Singapore Dollar approximately equals to 25 Thai Baht.

from the English model where the courts have greater power by the traditional common law.

In addition, the High Court can also review appeal and decide points of law submitted by subordinate courts, mostly by District Court and Magistrates' Court, following Section 19 to Section 22 of Supreme Court of Judicature Act (Chapter 322). Hence, if a case begins at the High Court, it can be appealed to the Court of Appeal. If the case starts in the subordinate court, i.e. any of the State Courts, the party can appeal the court's decision to the High Court and then the Court of Appeal. Nevertheless, each stage of appeal might be restricted by law, as mentioned previously.

At present, there are specialised courts appointed under the Supreme Court structure in 2002 namely the Intellectual Property Court and the Admiralty Court. Both comprises of judges who have experience in specialist areas like intellectual property rights and admiralty matters – both of which are crucial for Singapore as an island state with high dependency on technology for goods and services production. This made intellectual property rights and admiralty laws under the Supreme Court jurisdiction. The Intellectual Property Court has jurisdiction over all matters relating to intellectual property rights which will be reviewed by Judges of High Court who are specialised in intellectual property laws, while the Admiralty Court has jurisdiction to review cases relating to admiralty matters such as any claim relating to ship, navigation, crew and other shippers, including goods or objects on the ship on which the defendant is a habitual residence or has business in Singapore. The Admiralty Court also review cases arose within inland waters of Singapore, or an action arising out of the same incident or series of incidents is proceeding in the High Court or has been heard and determined in the Court.<sup>54</sup>

---

<sup>54</sup> Singapore Statutes Online, "High Court (Admiralty Jurisdiction) Act (Chapter 123),"

<http://statutes.agc.gov.sg/aol/search/display/view.w3p?page=0;query=DocId%3A%22af279d5c-d7fb-40dd-ab0a-373741ee284e%22%20Status%3Apublished%20Depth%3A0;rec=0#pr8-he->. (accessed on 3 November 2014).

### 1.5.2 State Courts

State Courts are founded by State Courts Act (Chapter 321)<sup>55</sup> of which Section 8A stipulates that the President has the power to, on the recommendation of the Chief Justice, appoint a judge or Judicial Commissioner as Presiding Judge of the State Courts to hear and determine cases in any State Courts. State Courts comprise District Courts, Magistrates' Courts, Coroners' Courts, and Small Claims Tribunals.

A District Court consists of a District Judge who is appointed by the President, upon the recommendation of the Chief Justice. District Courts have the power to determine civil cases in contract and tort involving claims worth no more than \$250,000. According to Section 11 (3) of Criminal Procedure Code (Chapter 68), District Courts may impose on criminal cases a maximum ten years of imprisonment, a fine not exceeding \$10,000, and twelve strokes of caning.<sup>56</sup>

The Magistrates' Court comprises the Magistrates who are appointed by the President, as recommended by the Chief Justice, to have jurisdiction over civil case involving claims not exceeding \$60,000, deliver sentence on a criminal case for a maximum of three year imprisonment, a fine not exceeding \$2,000, and no more than six strokes of caning.<sup>57</sup>

Juvenile Courts are established by Children and Young Persons Act (Chapter 38). Section 32 of the Act stipulates that a President-appointed Magistrate is to preside over a Juvenile Court, along with two advisors who are nominated by the President. Juvenile Courts have jurisdiction over cases involving offenders who age no more than 16 years old on the date of the hearing. Since child offenders should be treated

---

<sup>55</sup> On 7 March 2014, Subordinate Courts were renamed as State courts after the Subordinate Court (Amendment) Act was signed by the President and then renamed as State Courts Act (Chapter 321).

<sup>56</sup> Singapore Statutes Online, "Criminal Procedure Code (Chapter 68)," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=c1fb9e16-1e9c-4036-bcf1-5f8e52241e05;page=0;query=DocId%3A%223b4efefc-6d61-43ac-8b1c-8ccd8b86a972%22%20Status%3Ainforce%20Depth%3A0;rec=0#pr303-he-> (accessed on 31 July 2014).

<sup>57</sup> Ibid.

differently from adults, Section 41 of Children and Young Persons Act (Chapter 38) prohibits the use of words such as "conviction" and "sentence" in Juvenile Courts. Furthermore, Section 44 of the Act empowers the judges of Juvenile Courts to discharge the offender, order a maximum of six months detention, send the child offender to juvenile habitation center for no more than three years, order the offender to perform up to 240 hours of community services, or order the offender to pay fine or damage, as the judges see fit.<sup>58</sup>

Coroners' Courts investigate cases deemed involving unnatural or unexplainable death such as road accident or suspicious suicide, which are categorized by the police as coroner's cases or reportable cases. A District Judge is, on the recommendation of the Chief Justice, appointed by the President to act as State Coroner. State Coroner cooperates with the police in the investigation of the nature of death and has other power as may be designated by Coroners Act (Chapter 63A).

Small Claims Tribunals are established by the President who also appoints, upon the Chief Justice's advice, Referees to preside over the Tribunals. The main responsibility of the Small Claims Tribunals is to mediate dispute over contracts about goods and services, or tort claims not exceeding \$20,000. If a dispute cannot be settled, the Tribunals shall proceed to determine the dispute.<sup>59</sup>

Similar to England, Singapore does not have administrative court, nor does it separate private law from public law.<sup>60</sup> Therefore, courts in Singapore can review

---

<sup>58</sup> Singapore Statutes Online, "Children and Young Persons Act (Chapter 38)," <http://statutes.agc.gov.sg/aol/search/display/view.w3p?page=0;query=DocId%3A911aba78-1d05-4341-96b7-ee334d4a06f0%20%20Status%3Ainforce%20Depth%3A0;rec=0> (accessed on 31 July 2014).

<sup>59</sup> Singapore Statutes Online, "Small Claims Tribunal Act (Chapter 308)," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=da115234-3905-47e3-aab0-a68742057655;page=0;query=DocId%3A%227b117bc4-0516-4935-8607-b9ebd7948d05%22%20Status%3Ainforce%20Depth%3A0;rec=0#pr5-he-> (accessed on 31 July 2014).

<sup>60</sup> Thio Li-ann, "Law and the Administrative State," In *The Singapore Legal System*, ed. Kevin YL Tan (Singapore: Singapore University Press, 1999), 165.

administrative case as directed by Acts and subsidiary legislation. Nevertheless, as already mentioned, the domestic conditions in Singapore are distinctly different. Because Singapore was founded during the Cold War and has been confronting trade competition with limited natural resources, administrative law of Singapore is highly influenced by the government's policies which prioritise national development and security. This can be seen in the Constitution which contains provisions that limit the power of court to review government some policies; for example, Third schedule dictates that a decision of the government concerning citizenship shall not be subject to appeal or review in any court, and that an appeal concerning the decision of a public officer to whom the Minister delegates authority over citizenship shall be submitted to the Minister, not to the court.

It should be noted that, in a dispute over the discretion of public officers or an allegation concerning abuse of power may be submitted to any State Courts or the High Court. However, the courts do not normally consider how the executive branch, i.e. the Minister or public officers, exercise his/her discretion, as long as the discretion and power are within the scope of law.<sup>61</sup> Since the court's main duty is to review and determine cases according the law. Hence, if there was a dispute concerning the decision or action of public officers or agencies, the courts will generally consider whether the officers or agencies had followed the existing laws regulating such matters (e.g. follow the guideline before making a decision or implement an impact assessment before introducing the policy, and so on), not how the officers or agencies arrive at their decisions.<sup>62</sup>

---

<sup>61</sup> Cheryl Crane, Mark Gillen, and Ted L. McDorman, "Parliamentary Supremacy in Canada, Malaysia, and Singapore," In *Asia-Pacific Legal Development*, ed. Douglas M. Johnston and Gerry Ferguson (Vancouver: UBC Press, 1998), 187-88.

<sup>62</sup> Thio Li-ann, "Law and the Administrative State," 174; Jack Tsen-Ta Lee, "Bukit Brown Cemetery: You can sue, but you won't win," <http://singaporepubliclaw.com/2012/05/09/bukit-brown-cemetery/#num4> (accessed on 3 November 2014). An example is a case of *Chan Hiang Leng Colin and Others v Public Prosecutor* [1994] SGHC 207. Members of Jehovah's Witnesses, a Christian group in Singapore, refused to join the compulsory national service because it was against their religious belief. The government therefore issued two orders in 1972. One was Order 123 issued under



To conclude, courts in Singapore were established by written laws such as the Constitution (High Court and Court of Appeal) and State Courts Act. Therefore, the jurisdiction of court in Singapore also roots in the statutes. Although the influence of English common law can still be seen in Singapore, e.g. the High Court has power to review administrative and constitutional cases, in practice the political and social factors prevent the check and balance mechanism in Singapore to function completely.

### 1.5.3 Interpretation

As a former British colony, Singapore received common law system from England. The legal interpretation is therefore based on case law both in Singapore and in England. Moreover, Singapore introduced Interpretation Act (Chapter 1) after declaring its independence in 1965. This section presents the two methods of interpretation.

#### *Interpretation according to case law*

As mentioned in Section 1.2, the common law system in Singapore is majorly based on *stare decisis* doctrine. In other words, interpreting a legal point must follow the judicial decisions of the higher courts, e.g. District Judges must consider the decisions of the High Court on similar cases, or the decisions previously made by the courts. This is to ensure that cases with similar characteristics will be treated in the same way. Examples of legal interpretation according to case law can be found in Section 1.2.

---

the Undesirable Publications Act to ban all publications of the Watch Tower Bible and Tract Society, the head organization of Jehovah's Witnesses. Another was Order 179 issued under Societies Act which effectively disbanded Jehovah's Witnesses as it was deemed to go against the national security. Later in 1992, Mr. Chan who was a member of the Jehovah's Witnesses was arrested for having forbidden books listed under Order 123 in possession. The District Court found him to be guilty. Mr. Chan then submitted an appeal to the High Court on the ground that the Orders issued by the government were against Section 15 Freedom of Religions of the Constitution. Therefore, the Orders should be considered an abuse of power. The High Court ruled that "[T]he basic proposition in judicial review is that the court will not question the merits of the exercise of the ministerial discretion. There can be no enquiry as to whether it was a correct or proper exercise or whether it should or ought to have been taken."

### *Interpretation according to Interpretation Act (Chapter 1)*

One of the first statutes introduced in Singapore after the country became a sovereign republic is Interpretation Act. The Act became in effect on 28 December 1965<sup>63</sup> in order to assist the interpretation of written laws. The significance of this Act reflects in its Chapter number 1. Section 2 of the Act states that words and expressions in the Interpretation Act and every written statutes enacted before and after the introduction of the Interpretation Act (28 December 1965) shall be interpreted according to the meanings respectively assigned to them. Interpretation Act defines several general terms such as animal, month, vessel, as well as technical terms such as Supreme Court, District Judge, and Singapore.

The importance of the Interpretation Act is its guideline on how to interpret written laws. Section 9A (1) of the Act indicates that "In the interpretation of a provision of a written law, an interpretation that would promote the purpose or object underlying the written law (whether that purpose or object is expressly stated in the written law or not) shall be preferred to an interpretation that would not promote that purpose or object." That is, in the case where the statute does not give a definition of an object or a person, e.g. Bit Coin, or in a case where there are more than one definition of an object given by different statutes (which has not been found), the judge shall select the mode of interpretation that is closest to the objective of the Parliament when issuing the statute. This can be found from the explanatory statement, the speech of ministers at the second reading, and reference to parliamentary debates.

## **1.6 State of legal enforcement and its complication**

Singapore's legal system and law enforcement are internationally recognised to be highly effective. This is evident in the report prepared by the World Economic Forum

---

<sup>63</sup> Singapore Statutes Online, "Interpretation Act (Chapter 1)," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=cc712322-e364-4ae6-8eb0-7973ee09dc6c;page=0;query=DocId%3A%22d941b6c1-05c5-44e6-bd77-dfbb48c7b95c%22%20Status%3Apublished%20Depth%3A0;rec=0#pr2-he-> (accessed on 31 July 2014).

in which Singapore was placed first among the total 148 countries in the Efficiency of legal framework in settling disputes ranking, and Transparency of government policymaking, as well as ranked the 8<sup>th</sup> place in Reliability of police service – the main agency responsible for law enforcement.<sup>64</sup> Being perceived with high level of transparency and strictly following the rule of law are strong points of Singapore. In practice, however, law enforcement, creates problems in some cases. This section presents two examples of cases relating to legal enforcement problem. One case involves the independence of the judges who are normally appointed by the President and Prime Minister, and another case is the enforcement of laws to restrict the media's freedom of expression.

Even though the Efficiency of dispute settlement system in Singapore was the first in rank, its Judicial independence level was placed on the 20<sup>th</sup> by the same report published by the World Economic Forum.<sup>65</sup> Independence refers to the absence of intervention from the executive power as well as the legislative power. Although the judicial independence is guaranteed in Section 98 of the Constitution, which allows judges in the Supreme Court to remain in their positions until their retirement age at 65, other judges in the lower courts do not have such immunity. It has been observed that all District Judges and Magistrates are public servants and they are often transferred between courts and the Attorney General's Office.<sup>66</sup>

An example of complication relating to judicial independence is the case of a former District Judge Michael Khoo who in 1983 discharged J.B. Jeyaretnam, a politician of the opposition party, from mishandling his party's money and giving false statements. This helped the alleged politician from being expelled from the Parliament. Seven months after delivering his verdict, Judge Khoo was removed from the District

---

<sup>64</sup> Klaus Schwab, ed., *The Global Competitiveness Report*, 341.

<sup>65</sup> Ibid.

<sup>66</sup> Lawyers' Rights Watch Canada, "Rule of Law in Singapore: Independence of the Judiciary and the Legal Profession in Singapore," [http://www.lrwc.org/ws/wp-content/uploads/2012/03/LRWC.Rule\\_of\\_Law\\_in\\_Singapore.17.Oct.07.pdf](http://www.lrwc.org/ws/wp-content/uploads/2012/03/LRWC.Rule_of_Law_in_Singapore.17.Oct.07.pdf) (accessed on 31 July 2014).

Court and transferred to the Attorney General's Office. He later left the civil service not long afterwards. However, the government denied that the transfer was a result of his decision that seems unfavourable to the government.<sup>67</sup>

There have been many cases in which laws were enforced to restrict freedom of expression in Singapore. Very often defamation is used as the ground of allegation against those who criticize the government. It is reported that members of the ruling People's Action Party (PAP) has never lose in a libel suit or settle a dispute without receiving financial compensation.<sup>68</sup> For example, the International Herald Tribune was sued for publishing an article that suggested the premiership of Mr. Lee Hsien Loong was a result of nepotism. The case ended when the international newspaper paid compensation of \$160,000.<sup>69</sup>

The above cases suggest the possibility that investing or doing business in Singapore might become problematic if the Thai entrepreneurs get into conflict with the government or the PAP, especially Temasek which is the government's investment company and a major shareholders of many crucial businesses in Singapore such as those in telecommunication, banking, and broadcasting industries. The restricted freedom of expression also resulted in a report noting that media in Singapore is characterised with "self-censorship" to avoid having problem with the government who controls the publication of many newspapers in the country.<sup>70</sup> This suggests the possibility that the media could be influenced by the government to publish or not publish news that are favorable to the government and its company.

---

<sup>67</sup> Ibid.

<sup>68</sup> Ibid.

<sup>69</sup> Bureau of Democracy, Human Rights, and Labor, Department of State, United States of America, "2010 Human Rights Report: Singapore," <http://www.state.gov/documents/organization/160101.pdf> (accessed on 31 July 2014).

<sup>70</sup> Ibid.

## Conclusion

The overview of legal system of Singapore is common law system which had been received from the British during more than 150 years of the colonial era. After becoming a sovereign republic, Singapore had also developed its own legal system to suit the dynamic internal and external environments. A distinct example is the written Constitution. Nevertheless, the influence of common law still remains in the method of legal interpretation, which is used along with written laws.

The effectiveness of legal and court system in Singapore is internationally recognised, and the strict legal enforcement also help building confidence among local and foreign investors. These factors greatly facilitate trade and investment in Singapore. On another hand, legal enforcement sometimes becomes a problem when defamation law is used to restrict freedom of expression in the society. The level of judicial independence in Singapore is also disputable. Thai entrepreneurs and investors should learn and make themselves familiar with the political, economic, and social conditions in Singapore in order to maximize the efficient legal system of Singapore in enhancing their business and investment opportunity.



## Chapter 2

### Trade and Investment Laws in Singapore

Because of limited natural resources and factors of production, Singapore has heavily relied on international trade and investment. This results in the flexible characteristics of Singapore's laws and regulations which are quite opened for foreigners, in terms of facilitating the inflows of both factors of production such as labour and capital, as well as goods and services that are crucial for businesses. As a result, the World Bank had placed Singapore at the first place, out of total 189 economies, in the ease of doing business ranking for three consecutive years (from 2013 to 2015).<sup>71</sup>

Even though foreign investors are not required to enter into joint ventures with the locals in order to do business in Singapore, and the fact that both local and foreign businesses are subjected to the same investment laws, there are five services sectors which are deemed sensitive to national security and thus still regulated by the state. These are telecommunication, broadcasting, newspaper and printing, banking, and legal services. Nevertheless, Singapore is still attractive for overseas investment due to tax incentives. The government collects income tax at a relatively lower rate than many other countries and imposes no tariff on exports.

Singapore is a small country with limited natural resources. Hence, laws relating to factors of production such as land and labour contain particular features. For example, more than half of the land in Singapore belongs to the state, overseen by Ministry of Law.<sup>72</sup> This reflects the need to maximize the limited land resource and manage them in a way as fair and lawful as possible. At the same time, labour laws in Singapore differentiate the types of worker and employment conditions, in a way that workers with higher skill level receive more privileges than others. This is because the

---

<sup>71</sup> World Bank, Doing Business 2015: Going Beyond Efficiency (Washington, DC: World Bank, 2015), 4.

<sup>72</sup> Singapore Land Authority, "Management of State Land and Buildings," <http://www.sla.gov.sg/htm/ser/ser02.htm> (accessed on 18 September 2014).

country has limited resources and thus relies heavily on the highly-advanced technology to add values to the goods and services, which then increase the country's competitiveness. As a result, high-skilled workers and professionals who are familiar with technology usage are in demand. In a similar vein, Singapore's laws related to intellectual property rights and arbitration system also promote international trade and investment.

Chapter 2 presents trade and investment laws in Singapore. Its presentation is divided into eight topics namely 2.1 Goods and services trade laws, 2.2 Foreign investment, 2.3 Immigration (Immigration and residency), 2.4 Business laws, 2.5 Land and land utilization laws, 2.6 Labour laws, 2.7 Intellectual property rights laws, and 2.8 Dispute settlement mechanisms.

## **2.1 Goods and Services Trade Laws**

Singapore is highly dependant on international trade due to its geographical landscape as a small island which results in scarcity of natural resources. Hence, Singapore has to import a variety of products for domestic consumption. As service sector is the most prominent source of employment and driving force of the economy, the laws related to goods and services trade in Singapore are designed to attract overseas investment.

This section deals with laws related to trade in goods and services for foreign investors in Singapore in four topics: (1) Import and export procedures, (2) Anti-dumping and trade restriction measures, (3) Favourable treatments for entrepreneurs who are citizens of Thailand and ASEAN countries, and (4) Foreign employment law.

### **2.1.1 Import and export procedures**

In Singapore, import and export procedures are regulated under three key laws namely Customs Act (Chapter 70), Regulation of Imports and Exports Act (Chapter 272A), and Strategic Goods (Control) Act (Chapter 300). Overall, importing and exporting goods can be done with little obstacle. The importers and exporters are required to register their businesses with the Accounting and Corporate Regulatory



Authority (ACRA), and obtain export and/or import permit issued by International Enterprise Singapore (IE Singapore).

### *Import and export control*

Goods that are subjected to import and export control can be classified into two groups: prohibited goods, and controlled goods.

- Prohibited goods. Examples of goods which cannot be imported into Singapore are chewing gum, chewing tobacco, cigarette lighters of pistol or revolver shape, and fireworks.<sup>73</sup>
- Controlled goods. This comprises of goods which need permits every time before import or export. For import, there are 60 controlled goods,<sup>74</sup> and 33 for export.<sup>75</sup>

### *Tariffs*

Most import products are free of customs duty, except four dutiable goods namely intoxicating liquors, tobacco products, petroleum products, and motor vehicles (see Appendix 1). Moreover, all goods imported into Singapore under Free Trade Agreements (FTAs) enjoy zero tariff rate. Singapore has signed FTAs with many trade counterparts including Thailand, under the ASEAN Free Trade Area (AFTA)

Nevertheless, every import product is subjected to Goods & Services Tax (GST) at 7% of its value.

---

<sup>73</sup> Singapore Customs, "Controlled and Prohibited Goods,"  
<http://www.customs.gov.sg/leftNav/trav/Controlled+and+Prohibited+Goods.html> (accessed on 8 April 2015).

<sup>74</sup> Singapore Customs, "List of Controlled Goods- Imports,"  
<http://www.customs.gov.sg/leftNav/trad/TradeNet/List+Of+Controlled+Goods+-+Imports.html> (accessed on 8 April 2015).

<sup>75</sup> Singapore Customs, "List of Controlled Goods- Exports,"  
<http://www.customs.gov.sg/leftNav/trad/TradeNet/List+Of+Controlled+Goods+-+Exports.html> (accessed on 8 April 2015).

### *Other measures*

Beside tariffs, non-tariff measures are also introduced in order to control the quality of products. For examples:

- Disease control measures. Any importation of live animals, meats, processed meats, egg, microorganism, animal foods, live aquatic animals, and milk powder for animals requires import license.
- Sanitary and phytosanitary measures to control importation of plants, fresh vegetables, and some kinds of fruits.
- Import quotas. Importing products such as rice, poppy seeds, radioactive substances, explosives, instruments of war and combustible materials require import license.
- Quality control measures cover mineral water, sparkling water, wine, and liquors.
- Product Labelling Requirement. Specifications of product especially country of origin are required on the label of imported goods such as paints and solvents.
- Standards Code. Some products such as gas stoves, kitchenwares, and some types of electric appliances are required to pass quality test and complete registration with relevant authority in Singapore.

The measures above are applied to different products, and are exercised by different regulatory bodies. Authorities regulating the importation of core products – i.e. foods, vegetables, and fruits are detailed as follows:

- Foods – Importation of foods into Singapore is regulated by The Food Regulations under the authority of Agri-Food Veterinary Authority (AVA). The foods importers must follow the Labeling Requirements.
- Rice - International Enterprise Singapore (IE Singapore) is responsible for determining regulation on reserved stock of rice, rice import quotas, and issuing import license for rice;
- Vegetables and Fruits – Importation of vegetables and fruits into Singapore is regulated by The Food Regulations under the authority of

Agri-Food Veterinary Authority (AVA) and Food Control Department, which have strict import requirements on residue.

### *Import and export procedures*

Generally, most products can be imported into Singapore without permit, except the controlled imports which require import permits granted by relevant authorities. In order to transport the goods, importers must apply, through agent, for a transshipment permit issued by TradeNet Services Centres. For the controlled goods, they need to acquire licenses and permits granted by the competent authorities. For importation of products with advanced technology, traders must be granted Import Certificate and Delivery Verification (ICDV) from Singapore Customs.

Importers have to pay the fees and the duties including custom and excise duties before receiving the goods at the port authority. After completing customs procedures, imported goods are allowed to be transshipped out of the Customs.

In the case of importation from the FTAs partners of Singapore, imported products may receive special tariff rate under such agreements. However, the products must be verified by the Certificate of Origin as a proof that they were truly produced in such countries.

Singapore assigns seaports and airports as Free Trade Zones (FTZs) in order for temporary tax exemption of imports. After unloading the goods and completing custom formality, tax is paid. All dutiable goods can be transshipped in the FTZs except alcoholic beverage and tobacco. Any goods transported through railway and road are excluded from FTZs privilege and must be dutied at the time of arrival according to the custom formality. Similarly, importers can also retain the dutiable goods in cargo with permission in order to be tax-deferred during retention period.

To export goods out of Singapore, traders can deliver the goods via international shipping company or TradeNet Service Centres. Shipping agencies will be responsible for all documents and help facilitate the process of custom formality.

### 2.1.2 Anti-Dumping Duty and Non-Tariff Measures

Dumping is the means of selling goods at the lower-than-cost price which is harmful and unfair for the competitors. In international trade, exporting the goods at the price lower than plausible level obviously generates losses to producers and traders of substitutable or similar products in the destination country. To cope with any unfair trade action, the World Trade Organization (WTO) negotiation on Uruguay round issued an agreement on anti-dumping practices by imposing anti-dumping duty (AD). The AD specifies methods and resolutions for the country members to relieve damages in the domestic industry affected by dumping practices. All WTO members had ratified the anti-dumping agreement and amended their domestic laws to conform to the agreement. Thus, procedures of investigation, as well as damages and AD assessment used do not vary much across WTO members, except miscellaneous detail such as the authority that accept and investigate complaint, decision-making body, determination process such as the period and step used in consideration, etc.

Furthermore, import products subsidized by the government of exporting country usually have lower cost than the unsubsidized products sold locally in the importing country. For this reason, subsidizing export goods is unfair international trade practice. The Uruguay round concluded both Countervailing Duty (CD) along with Anti-Dumping Duty (AD) as the two issues are relevant and have similar resolutions. That is, to collect additional duties on products considered as dumping or subsidized. The Countervailing and Anti-Dumping Duties Act of Singapore legislated as guided by WTO agreement are elaborating in the following section.

This part introduces measures on anti-dumping and countervailing duties, as well as competition laws by reviewing two key legislations namely Countervailing and Anti-Dumping Duties Act (Chapter 65B) and Competition Act 2004 (Chapter 50B).

#### A. Countervailing and Anti-Dumping Duties Act (Chapter 65B)

Singapore introduced the Countervailing and Anti-dumping Duties Act (Chapter 65B) in 1996 to support the General Agreement on Tariffs and Trade (GATT 1994), which was signed in 1995. The detail of this legislation is presented below.

1) **Anti-dumping measures** can be conceptualized as follows:

*Initiation of Investigation*

The persons qualified to initiate the investigation for dumping practice are: (1) the domestic producers of "like product" which represent the majority or the whole domestic industries affected by dumping practice as prescribed in Section 19 of Countervailing and Anti-dumping Duties Act (Chapter 65B); and (2) Minister of Trade and Industry in case of "special circumstances", according to Section 19 (6); however, the definition of "special circumstance" is not given and the decision to investigate is made by the Minister, who will also determine whether to introduce the anti-dumping duty – if the investigation found that dumping was actually practised.

*Investigation Procedure*

Investigation procedure on anti-dumping practice in this Act follows the General Agreement on Tariffs and Trade (GATT). After receiving the petition, the Minister may determine whether sufficient evidence exists and an investigation is in the public interest. In all sections of the Act, however, there is no definition of "sufficient evidence" and "public interest." The Minister must notify petitioner when he decides to initiate an investigation. Additionally, Section 19 (8) of Countervailing and Anti-Dumping Duties Act (Chapter 65B) stipulates that the investigation must be adequately supported by domestic producers of like product. In practice, the Minister may distribute questionnaires to domestic entrepreneurs who are involved within a short period after informing his determination to initiate the investigation. The domestic entrepreneurs can take up to a month to finish the questionnaires. After initiating the investigation, the process shall be terminated if:

- dumping margin is lower than 2% – the normal value of the subject goods exceeds the export price by 2%;
- volume and damages of the investigated imports constitutes negligible losses in accordance with Section 2 (2).

The Act stipulates that the procedure of investigating dumping practice must be terminated within one year after its initiation, and within 18 months in any cases. In addition, there are a number of regulations determining period of each step in

investigation procedure. Some of them are included in Acts or regulations issued by Ministry of Trade and Industry. For example, the Minister must verify the evidence in support of investigation within a period of 30 days after the petition is submitted (Regulation 6), and report his preliminary decision within a period of 90 days (Section 21).

#### *Criteria for imposition of anti-dumping duties*

Section 14 (1) of the Countervailing and Anti-dumping Duties Act (Chapter 65B) presents criteria for imposition of anti-dumping duties, which follow the General Agreement on Tariffs and Trade (GATT).

(1) The export price is lower than the normal value of the subject goods. The definition of "normal value" is given in Section 15 (1) of Countervailing and Anti-Dumping Duties Act (Chapter 65B) as the price of the subject goods generally sold in the exporting country. Regulation 26 provides calculation method of export price and normal value by using information of the price during the period of one year prior to the initiation of investigation. However, the Minister may use previous prices longer than one year if he sees the necessity to obtain a more accurate indicator for comparison. In the case where the subject goods are not available in the exporting country, the comparable price will be calculated from export prices to the third countries, or from constructed value;

(2) There exists a real damage caused by dumping practice in any of the following ways:

- causing material injury to the domestic industry in Singapore producing like products;
- threatening to cause material injury to the domestic industry in Singapore producing like products; or
- causing material retardation of the establishment of the domestic industry in Singapore.

Section 21 of Countervailing and Anti-Dumping Duties Act (Chapter 65B) specifies that in determining the petition, the Minister have to follow the conditions

above. Although there is no definition of "material injury," determinations should be in accordance with Article 3 of the anti-dumping duties under the GATT 1994.

Furthermore, Section 14 (3) of Countervailing and Anti-Dumping Duties Act (Chapter 65B) provides criteria of assessment the damage as follows:

- the linkage between subject goods and the damage within the meaning of this Act shall be demonstrated;
- the causal relationship between the subject goods and the damage to the domestic industry shall be demonstrated, based on an examination of all relevant evidence submitted to the Minister;
- the Minister shall also examine any known factors other than the subject goods which at the same time are injuring the domestic industry.

According to the anti-dumping duties of the GATT 1994, the process of investigating dumping practice through price comparison must be fair. Fair comparison means choosing proxy by the same approach (manufacturing price is mostly employed) for goods at comparable amount and adjacent length of time. Detail information on this part can be found in Section 17 of Countervailing and Anti-Dumping Duties Act (Chapter 65B).

In case of investigation on dumping practice of the same product importing from various countries; if dumping margin and imports volume exceed bottom level specified in Regulation 20, the Minister may choose to evaluate the damages from aggregate effects of dumping goods on domestic industry.

**2) Countervailing Duty (CVD) can be conceptualized as follows.**

***Initiation of investigation***

The persons qualified to initiate the investigation are: (1) the domestic producers of "like product" which represent the majority or the whole domestic industries affected by the subsidized import as prescribed in Section 19 of Countervailing and Anti-dumping Duties Act (Chapter 65B); and (2) Minister of Trade and Industry, in case of "special circumstances", if he believes that the subsidization has caused damage to the

domestic industry (Section 4). Furthermore, the Minister will also determine whether to investigate in response to the petition, and decide on the countervailing duty – similar to the case of anti-dumping duty.

### *Investigation procedure*

Similar to anti-dumping duty, except before the initiation of investigation, the Minister must offer the government of the exporting country opportunity to clarify the investigated points in order to find a solution that is acceptable for all parties involved. This is because subsidization is a government's measure, while dumping is practised by private sector.

### *Criteria for imposition of countervailing duties*

The criteria are the same as anti-dumping duties. One difference is that there may be some cases of non-actionable subsidies, which follows the GATT. These cases are non-specific subsidy (for example, the exemption of corporate income tax by Board of Investment or BOI), subsidy for human resources development or R&D, or subsidy upon level of development in specific regions such as tax incentive for business investing in the Southern border provinces.<sup>76</sup>

Section 14 (2) of Countervailing and Anti-Dumping Duties Act (Chapter 65B) stipulates that the amount of anti-dumping duty must be:

- equal to the dumping margin, i.e. the difference between exporting price and normal value of the subject goods; or
- lower than the dumping margin if the Minister determines that a lower anti-dumping duty will be sufficient to prevent damage to domestic industry.

Section 3 (2) of Countervailing and Anti-Dumping Duties Act (Chapter 65B) stipulates that countervailing duties shall be equal to the countervailable duty or lower, if

---

<sup>76</sup> See details on non-actionable subsidies in Article 8.2 and Article 8.3 for the anti-dumping duties and countervailing duties of the GATT 1994.



the Minister considers that to be efficient to compensate for the damage on domestic industry.

It should be noted that Section 42 of Countervailing and Anti-Dumping Duties Act (Chapter 65B) prohibits government from simultaneously imposing both anti-dumping duties and countervailing duties in order to compensate the damage on domestic industry.

#### **4) Provisional measures**

In the case where the Minister delivers a preliminary decision that there exists dumping practice and damage to the domestic industry, provided that it is necessary to eliminate the damage, the Minister may request a provisional duty or a security equal to the amount of the estimated countervailable subsidy from the exporter. However, this provisional measure must be imposed no sooner than 60 days from the date the investigation is initiated.

A provisional duty imposed must not exceed the dumping margin or countervailable subsidy estimated during the preliminary investigation in accord with Section 7 (1) of Countervailing and Anti-Dumping Duties Act (Chapter 65B), in the case of countervailing duties, and Section 21 (1) of Countervailing and Anti-Dumping Duties Act (Chapter 65B), in the case of anti-dumping duties. The duration of provisional procedure shall also be as short as possible – no longer than four months in the case of countervailing duties, and no longer than six months in the case of anti-dumping duties. The Minister may however extend the duration to the maximum of nine months if requested by the domestic industry.

#### **5) Termination of investigation**

Section 25 of Countervailing and Anti-Dumping Duties Act (Chapter 65B) empowers the Minister to terminate the investigation if an exporter agrees to adjust the price in order to offset the dumping margin or to eliminate the damages upon domestic industry. This shall be done after an affirmative preliminary determination and within 60 days prior to the date of final determination as in Regulation 14. Notwithstanding, the undertakings must be in the public interest and be effectively inspectable.

## 6) Review of imposed duties by the Minister

Under the Agreement on Subsidies and Countervailing Measures of the GATT, the member states may have a procedure to review the imposition of anti-dumping duties (Article 11) and countervailing duties (Article 20) which is "independant" from the agency imposing the duties. The Countervailing and Anti-Dumping Duties Act (Chapter 65B) consists of regulations in this matter as follows.

Section 12 and Section 26 of Countervailing and Anti-Dumping Duties Act (Chapter 65B) empowers the Minister to conduct a review on countervailing duties and anti-dumping duties respectively, in the following cases:

- (a) the countervailing subsidy/ dumping margin has changed substantially;
- (b) the imposition of countervailing/ anti-dumping duty is no longer necessary;
- (c) a refund of countervailing/ anti-dumping duty is appropriate;
- (d) an undertaking is no longer necessary or should be modified;
- (e) it is necessary to maintain the countervailing/ anti-dumping duty which is scheduled to be terminated;<sup>77</sup> or
- (f) an expedited review is required for exporters who did not export the subject goods to Singapore during the period of investigation,

The Act requires further that the review must be operated within the specific time period. Regulation 36 dictates that a review shall start after at least one year of the initial investigation. A notice of initiating each review shall be declared to inform all stakeholders and offer them an opportunity to provide additional information for the review. The Act requires a review to be completed within six months, with a maximum of one year.

---

<sup>77</sup> Section 12 (7) stipulates that countervailing duties shall be terminated after 5 years, unless the Minister determines that the termination of such duties would be likely to lead to injury.

## **7) Review by Tribunal**

Stakeholders shall have the right to request a review by the Tribunal upon the Minister's decision on countervailing/ anti-dumping duty within 30 days after the date of the notice of affirmative or negative final determination or final review determination. The Anti-dumping Tribunal, consisting of three persons appointed by the Minister, shall review the request and may affirm the Minister's determination, or remit the matter to the Minister for reconsideration. The Minister, however, will decide whether to modify his determination.

## **8) Access of information and obligation of secrecy**

Section 24 of Countervailing and Anti-Dumping Duties Act (Chapter 65B) allows the related parties to disclose any information and request any document, which is not confidential, during the investigation procedure. Additionally, stakeholders are given an opportunity to exchange information and opinions with the opponents. In the case where an entrepreneur refuses to give information or document as evidence, he/she shall be liable to a fine not exceeding \$5,000, or to imprisonment for a term not exceeding one year.

## **B. Competition Act 2004 (Chapter 50B)**

Singapore has a competition law called Competition Act (Chapter 50B) since 2004. The Act has been enforced by the Competition Commission Singapore (CCS), an agency under Ministry of Trade and Industry. The Competition Act (Chapter 50B) is equally enforced upon all enterprises – be it state-owned or private, local or foreign.

Competition Act (Chapter 50B) prohibits three activities characterized as monopoly, anti-competition, or unfair trade as follows:

- (1) Abuse of Dominant Position (Section 47)
- (2) Anti-competitive Agreements (Section 34)
- (3) Mergers that Substantially Lessen Competition (Section 54)

The key provisions under the Act are presented hereafter.

## 1) Prohibited Behaviors

Prohibited behaviors written in the Competition Act conform to international standards, but differ from the laws in Asian countries, including Thailand. The Act does not mention about unfair trade practices; for examples: the use of intellectual property rights to monopolise the market, selective treatment in business transaction, unfair contracting, etc., which can be imposed on both large and small enterprises. As the Competition Act of Singapore does not mention unfair trade practices, businesses will be considered as violating the Act only when they gain dominant position in the market by taking over large part of market share, enter an anti-competitive agreement with others which results in market distortion, or merge with other businesses which substantially restrict competition.

### *Abuse of Dominant Position*

Abuse of Dominant Position is any practice employed by the dominant firm in order to lessen market competition. There is no clear definition in judging that any firm has control over the market because it depends upon several factors. Some of these are market share, ease of new entry, or the ability of consumers to find substitute goods. Typically, the firm with market share greater than 60% is considered to have the tendency to dominate the market. Thus if any firm acquires more than 60% of market share, it has a possibility of dominating the market according to Competition Act. In that case, such firm must not have the following "prohibited behaviors":

- any intention to eliminate competitors or predatory behavior;
- limitation of the quantity sold in the market or technological development;
- selective practice in business transactions generating competitive (dis)advantages; or
- any design of terms and conditions in legislative contract to be acceptable for other irrelevant businesses.

For an agreement between businesses or associations that is ambiguously judged as anti-competitive, the case shall be filed to the Competition Commission Singapore (CCS) for further investigation according to Section 50. After the filing is submitted, the CCS provides the suspected enterprise the "guidance" so as to prevent

any illegal practice. Afterwards, the suspected enterprise generally has the "immunity" for being penalised during the period of investigation. The immunity does not cover the cases (1) when the circumstance has changed substantially, (2) when information is not submitted correctly and sufficiently, and (3) when the appeal of such a practice is brought before the CC.

### ***Anti-competitive Agreements***

Business enterprises or associations may enter into agreements on the mutual objective of cost reduction or product development. On the other hand, some types of mutual agreement may lead to anti-competitive or prohibited behaviours according to Section 36 of the Competition Act (Chapter 50B). Agreements which may lead to prohibited behavior are as follows:

- directly or indirectly fixing purchase or selling prices;
- limiting or controlling production, markets, technological development or investment;
- sharing markets or sources of supply;
- employing selective practice to non-members of association which results in competitive disadvantages; or
- applying dissimilar conditions to equivalent transactions with other trading parties.

Section 41 of Competition Act (Chapter 50B), however, permits the CCS to introduce the block exemptions when an agreement aims for (1) product improvement or distribution, (2) promotion of technological or economic development without conditions to substantially lessen competition among goods and services in the market.

Businesses or associations that are unsure whether their agreements conform to the Act may submit the agreements to the CCS for a review, according to Section 43.

### ***Merger***

Mergers are normally subjected to decision of private sector. However, in the case where a merger is taken between more than two businesses, which results in

substantial reduction of competition in the market, Section 54 of Competition Act (Chapter 50B) empowers the CC to withhold the merger.

A merger occurs when one corporation takes "control" over another by one of the following ways:

(1) acquiring the ownership or right over the asset of the corporation; or

(2) making legal contracts to grant the merging enterprenuer the rights to get involved in determining composition, voting rules, or making decision in organizational departments.

Any permanent establishment of additional collaborative company by transferring responsibility and mission from another company is also considered a merger.

In determining whether a corporation has control over another, circumstantial evidence must be taken into consideration, as well as legal documents such as contract.

The following cases are not mergers:

- the receiver or liquidator who involves in debt restructuring of any bankrupt company;
- merging companies belong to the same group and are controlled by the same person or legal person;
- merger is resulted from succeeding collaborator's inheritance;
- transactions in purchasing and selling the securities from (to) brokerage or finance firm are operated by the merging company itself and its investing customers; or
- a company temporarily holds the securities (less than one year).

For any mutual agreement between businesses or associations that is ambiguously judged as unlawful merger, the case shall be submitted to the CCS for further investigation according to Section 57. After the submission, the CCS takes 14 days in deciding whether such practice is an illegal and anti-competitive merger. If the practice is considered as having a substantial impact on competition, the CCS shall

send the merging company a notice letter. For the case of merging for public interest, merging company can ask for permission to merge from the Minister of Trade and Industry which supervises the Competition Act. The Minister's decision is final. Permission to merge will be withdrawn from consideration if any untruthful or insufficient evidence is found.

When the CCS justifies that the merger is lawful, the company must complete all merging activities within period of time posted by the CCS; otherwise there must be a "renewal". In some cases, the CCS allows a merging by imposing conditions for the merging companies to strictly follow in order to prevent their market dominance. Some of the conditions may demand them to sell off parts of the business to mitigate its market power after merging.

#### ***Application of the law***

When an unlawful practice is found, the CCS may give the business following orders:

(a) the CCS can suspend or repair the practice to protect or console its impacts on competition in the market. The sanction can be an abandonment of anti-competitive contract, price cartel, or merger permission. For the post-merged companies, the CCS can withdraw their investment or force them to sell off parts of their business so as to limit market power;

(b) either the unlawful practice caused by intention or deliberate ignorance, the mergers must be fined 10% of their revenue. Accordingly, the fine can be recharged as long as violations of the Act exist, but shall be no longer than three years. The fine is determined by the Minister and published in the Gazette.

#### ***Appeal***

In the case of dissatisfaction toward the CCS' decision, measures imposed upon businesses, or the amount of fine, an enterprise may submit an appeal to the Competition Appeal Board appointed by the Minister. However, the appeal cannot withhold or respite the CCS' order. Further appeal may be submitted to the High Court and the Court of Appeal.

### *Civil proceedings by consumers*

The Competition Act of Singapore allows consumers to start a civil process against businesses without going through consumer protection organisation or the Office of Thai Trade Competition Commission, as in the case of Thailand. However, a final decision made by the CCS, the Competition Appeal Board, District Court, High Court, or Court of Appeal is needed in order to start the process. During the reviewing process, consumers cannot initiate any civil proceedings. When the decision is finalised and anti-competition practice is found, consumers must start the civil proceeding within two years.

### **2.1.3 Special treatments for ASEAN and Thai entrepreneurs in Singapore**

This section reviews the privileges that ASEAN as well as Thai entrepreneurs receive when investing in Singapore under two international agreements relating to trade in goods and services. One is the ASEAN Free Trade Area (AFTA), and another is the 8th Package of Commitments under ASEAN Framework Agreement on Services (AFAS).

#### **A. ASEAN Free Trade Area (AFTA)**

ASEAN Free Trade Area (AFTA) was introduced in 1992 to enhance competitiveness of ASEAN products in the global market. Member countries agreed to gradually reduce import duties on ASEAN goods to 0-5% by 2010 – except those reserved under the highly sensitive and the sensitive lists nominated by each country. The lists often contain agricultural products such as rice and sugar.

Singapore is a small country with scarce natural resources which results in significant reliance on imports of consumption goods. For this reason, importation from ASEAN countries or others – with or without free trade agreement – into Singapore usually bears no or very little custom duty. List of goods with custom duties and excise taxes is illustrated in Appendix 1.

#### **B. The 8th Package of Commitments under ASEAN Framework Agreement on Services (AFAS)**

The ASEAN Economic Community or AEC aims to facilitate investors from one ASEAN Member States to invest in business service in another and be able to hold at least 70% share in the business. In order to achieve the aim, there have been a total of



nine negotiation rounds to have all member countries agreed on service liberalisation. Since the 9th package under AFAS has not been disclosed to public, this study adopts the 8th Package in the analysis. The 8th Package is comprised of three commitments: (1) *Horizontal Commitment* indicating the impacts of trade liberalisation on all services sectors, (2) *Most-Favoured Nation Exemptions* relying on the reciprocal basis, and (3) *Sector-Specific Commitment* on services liberalization by sector.

### **1) Horizontal Commitment**

Since Singapore is a liberal economy, there are very few limitations on trade and investment in services sector as compared to other ASEAN member states. Horizontal commitment includes three regulations on services liberalization which are regulations on movement of natural persons, business establishment, and government subsidization on services sector.

#### ***Movement of natural persons***

Singapore offers no commitment on movement of natural persons, either skilled or unskilled workers in all services sectors, except intra-corporate transferees – provided that the transferees must be in position of manager, administrator, or specialist. Additionally, the prospective intra-corporate transferee must have been working for the company for no less than one year prior to the date of visa application. Visa for intra-corporate transferees is valid for two years and renewable no more than three times. The total period of working in Singapore for an intra-corporate transferee must not exceed eight years.

#### ***Business establishment***

According to Singapore's commitment, foreign investors who wish to establish business entity in Singapore must follow conditions below:

- have a "local" manager who is a Singaporean citizen, a permanent resident in Singapore, or an Employment Pass Holder. Local manager is not required, however, if the foreign investor is a permanent resident of Singapore or an Employment Pass Holder;

- there must be at least one board member who is a local resident – i.e. a Singapore citizen, permanent resident, or an Employment Pass Holder; and
- if the company is a branch of foreign enterprise, there must be at least two board members – who are local residents.

### ***Subsidies***

Government's subsidy can create unfair trade practice as the subsidised enterprises will have advantage over their competitors in terms of cost. Therefore, international agreements on goods and services lay down limitation on government's subsidization. In this matter, Singapore offers commitment as negotiated in the WTO in 1994, 1997, and 1998.<sup>78</sup>

### **2) Most-Favoured Nation Exemptions (MFN Exemptions)**

In general, liberalization indicated in schedules of commitment refers to the rights equally granted to all ASEAN member states. For services liberalization, however, the member states may secure their rights by signing bilateral services agreement which is on a reciprocal basis. An example of foreign reciprocity is the aviation services liberalization between Singapore and Thailand. Singapore may allow Thai Airways to operate additional direct flights to land at Changi airport only if Thailand allows more flights of Singapore Airlines to pick up passengers at Suvarnabhumi Airport.

Singapore's schedules of commitments related to the Most-Favoured Nation Treatment under the 8th Package are shown in Table 2.1 below.

---

<sup>78</sup> For more information, go to WTO document GATS/SC/76, GATS/SC/76Suppl.2, and GATS/SC/76Suppl.3

Table 2.1 Sectors with Most Favoured Nation Treatment Exemptions

Sector or Sub-Sector	Description of treatment	Conditions creating the need for the exemption	Intended Duration
All sectors	Section 48 of the Income Tax Act provides for the granting of relief against Singapore tax payable on income derived from a Commonwealth countries	Commonwealth countries which grant reciprocal relief	Indefinite
Legal Services	All measures pertaining to the provision of legal services in Singapore	The approval to establish foreign law firm in Singapore is based on case-by-case basis only	Indefinite
Broadcasting Services	Ministry for Information, Communications and the Arts, Singapore accords exclusive transmission rights to any bilateral consignees	To promote international social, economic, and cultural relations	Indefinite
Computer reservation system	The rights to provide online flight reservation may be granted under bilateral consignees	Air services liberalization is bilateral agreement	Indefinite
Maritime Transport Services (storage and warehousing, Freight forwarding, Inland trucking, Container station and depot services)	services liberalization is based on bilateral negotiation	Some of Singapore's trading partners do not accord Singapore companies satisfactory access to maritime transport services in their territories (reciprocal basis)	Indefinite
Financial Services (Banking and other financial services)	Under a currency inter-changeability agreement between Singapore and Brunei, the currency-issuing authorities of Singapore and Brunei would:	The currency inter-changeability agreement was entered into in 1967 arising from special historical and economic ties between Singapore and Brunei	Indefinite, until either country terminates the agreement.

	<ul style="list-style-type: none"> <li>- accept from banks, notes and coins issued by the other issuing authority, at par and without charge and to exchange such notes and coins into the currency of the country concerned; and</li> <li>- arrange for repatriation at the expense of the respective currency issuing authority, the notes and coins issued by the other currency issuing authority and to receive at par the equivalent in any agreed currency.</li> </ul>		
--	---	--	--

### 3) Sector-Specific Commitment

As mentioned, Singapore is an open economy with very few limitations on trade and investment in services. This study gathers all relevant sector-specific commitments from the 8th Package and presents the details in Table 2.2 below.

**Table 2.2 Sector-Specific Commitments**

Sector or Sub-sector	Limitation
Accounting/Audit	None, other than public accountants must be effectively resident in Singapore or at least one of the partners of the firm must be effectively resident in Singapore
Architectural services	<p><b><i>Establishment of business firm in Singapore</i></b></p> <p><u>Limited and Unlimited Corporations</u></p> <ul style="list-style-type: none"> <li>- at least 51% of its directors shall be registered architects/professional engineers or allied professionals who each in force a valid practicing certificate;</li> <li>- the business of the corporation must have a director registered architect/professional engineer ordinarily resident in Singapore and who has in force a valid practicing certificate.</li> </ul> <p><u>Partnership</u></p> <ul style="list-style-type: none"> <li>- the beneficial interest in the capital assets and profits of the partnership must be held by registered architects/professional engineers or allied professionals who each has in force a valid practicing certificate; and</li> <li>- the business of the partnership must have a partner as a director registered architect/professional engineer ordinarily resident in Singapore and who has in force a valid practicing certificate.</li> </ul> <p><u>Limited Liability Partnership</u></p>
Engineering services	

Sector or Sub-sector	Limitation
	<ul style="list-style-type: none"> <li>- the limited liability partnership must have at least one of the partners who is an architect/professional engineer or allied professionals and has in force a valid practicing certificate;</li> <li>- the business of the limited liability partnership must have a partner as a director registered architect/professional engineer ordinarily resident in Singapore and who has in force a valid practicing certificate.</li> </ul> <p><b>Architectural/Engineering services Implementation</b></p> <ul style="list-style-type: none"> <li>- the implementation in Singapore of architectural/engineering works requires approval by the authorities has to be carried out by an architect/professional engineer physically present in Singapore</li> </ul>
Rental services concerning construction machinery and equipment services without an operator	Maximum foreign equity participation should not exceed 30%
Rental and leasing of studio recording equipment	
Courier Services in respect of documents and parcels, excluding letters and postcards	Unbound
Basic telecommunication services (local and international)	A cumulative total of 73.99% foreign shareholding, based on 49% direct investment and 24.99% indirect investment is allowed
Mobile services	
Value-Added Network (VAN) services covering electronic mail, on-line information and data retrieval, on-line data processing, etc.	<ul style="list-style-type: none"> <li>- Provision of VAN services is subject to licence from the Infocomm Development Authority of Singapore (IDA)</li> <li>- Foreign companies are required to either set up a local branch of their company duly registered with the Registry of Companies and Businesses in Singapore, or grant a power of attorney to a local agent for the provision of their VAN services in Singapore.</li> </ul>
Wholesale trade services	Unbound, except for pharmaceutical and medical goods and surgical and orthopaedic instruments
Hospital services	Unbound, except Foreign equity allowance up to a maximum of 51% (Foreign investors have no right to settle hospital business, except the right to hold equity)
Private hospital services and clinics	Foreign equity ownership permitted up to 70%
Ambulance services	Foreign equity allowance up to a maximum of 51%
Social Services (nursing home and acute care)	unbound
Beverage serving services	Unbound, except up to 70% equity participation permit
Maintenance and repair vessels	Foreign equity allowance up to a maximum of 51%

Specific commitments in Table 2.2 indicate only the sectors in which Singapore offers liberalization commitments to other countries. Sectors not shown in the Table may not have any limitation or unbound.

#### 2.1.4 Foreign employment laws

According to Singapore's law, a foreigner means a person who is not a citizen of Singapore. Citizenship is governed under Part X of Singapore Constitution (covering Section 120 to Section 141), which empowers the government of Singapore to decide and issue orders concerning citizenship. Furthermore, Section 128 of Constitution prohibits dual citizenships by requiring any person, who turns 21 years old and holds citizenship other than Singapore, to renounce his/her citizenship of Singapore. Therefore, those who do not have Singapore citizenship must follow all laws governing foreigners in Singapore.

Nevertheless, Singapore is quite liberal toward foreigners. In 2012 Singapore's birth rate was lowest in ASEAN,<sup>79</sup> whereas its population growth rate was the fastest among ASEAN member states.<sup>80</sup> This indicates that Singapore has a flexible policy which allows a large number of foreigners to reside and work in a country, especially in the services sector which is the most significant source of employment. Professionals, technical and related workers constitute the biggest share of total employment at 34.9%. Consequently, Singapore hires the largest number of professionals and technical workers among ASEAN-5.<sup>81</sup>

This section introduces the laws regulating seven professionals namely engineer, architect, land surveyor, medical practitioner, nurse, dental practitioner, and accountant. Singapore has so far negotiated seven Mutual Recognition Arrangements

---

<sup>79</sup> ASEAN Secretariat, ASEAN Statistical Yearbook 2013 (Jakarta: ASEAN Secretariat, 2014), 13. For more information, please visit the official website of the ASEAN Secretariat at <http://www.asean.org/asean/asean-secretariat>

<sup>80</sup> Ibid, 2.

<sup>81</sup> Ibid, 34. ASEAN-5 refers to the founding member countries of ASEAN namely Indonesia, Malaysia, Philippines, Singapore, and Thailand.

(MRAs) with ASEAN member states in order to facilitate the movement of such professionals within the region by mutually recognising qualifications such as educational qualifications (e.g. course curriculum and degree of education), and professional qualifications (e.g. professional license and experience).

### *Engineer*

Professional Engineers Act (Chapter 253) was introduced in 1991 to establish the Professional Engineers Board (PEB) which regulates professional engineers and maintain professional standards in Singapore.

Section 10 prohibits any person from engaging in three engineering fields namely civil engineering, electrical engineering, and mechanical engineering, unless the person is a registered professional engineer with the PEB and holds a professional licence, or work under the supervision of a licensed professional engineer, or permitted by the PEB to work in collaboration with a licensed professional engineer.

It can be seen that there are only three engineering fields controlled by the PEB. Thus, Thai professional engineers in other fields such as electronical, computer, industrial, environmental, and chemical engineering are not regulated by this Act and thus are able to work in Singapore without registration with the PEB.

Section 15 stipulates that a person shall be qualified to register as a professional engineer, if he/she -

- (1) holds any degree or qualification or who satisfies such other requirements which the Ministry of National Development and the PEB may recognise. The recognised degrees are mostly from universities in Europe and Northern America. Within ASEAN, only the degree from University of Malaya in Malaysia is recognised by the PEB. No degree from any university in Thailand is recognised by PEB.<sup>82</sup>

---

<sup>82</sup> Professional Engineers Board, "Professional Engineers (Approved Qualifications) Notification 2009," [http://app.peb.gov.sg/PE%20\(Approved%20Qualifications\)%20Notification%202009.pdf](http://app.peb.gov.sg/PE%20(Approved%20Qualifications)%20Notification%202009.pdf) (Retrieved on September 2, 2014).

- (2) acquires not less than four years of professional experience after obtaining the degree in (1).
- (3) passes licensing examination arranged by the PEB.
- (4) is of good character and reputation; and
- (5) is able to efficiently work as a professional engineer, in the opinion of PEB.

Therefore, Thai engineers graduating from universities in Thailand cannot register with the PEB owing to the lack of recognized qualification in Section 15 (1). However, Professional Engineers Act does not have condition on citizenship, and thus Thai professional engineers who hold degrees from the universities recognised by the PEB and also meet other registration conditions are qualified to register with the PEB.

The ASEAN member countries signed a Mutual Recognition Arrangement (MRA) on Engineering Services in 2005, in order to mutually recognise the qualifications of professional engineers that can work in their countries as follows:

- (1) the applicant must graduate from any engineering course with certificate recognized by the Professional Engineering Board in the Country of Origin or the Host Country;
- (2) the applicant must hold a professional license issued by any Professional Engineering Board in ASEAN states;
- (3) the applicant must acquire not less than seven years of experience after graduation; of which two years must be in charge of large-scale engineering work;
- (4) the applicant must obtain the Continuing Professional Development (CPD) granted by regulatory authority in the Country of Origin at satisfactory level; and
- (5) the applicant must obtain certification from the Professional Engineering Board in the Country of Origin with no record of serious violation on technical, professional, or ethical standards, either local or international.

Any person who meets all conditions mentioned above is eligible to apply for registration as an ASEAN Chartered Professional Engineer (ACPE) with the ASEAN



Chartered Professional Engineer Coordinating Committee (ACPECC) which comprises of regulatory authorities of engineers from all ASEAN countries.

An ACPE is eligible for registration as a Registered Foreign Professional Engineer (RFPE) with the regulatory authority in any ASEAN country in which he/she intends to work. However, he/she must practice engineering only in collaboration with a local registered engineer.<sup>83</sup> Nevertheless, in the case of Singapore, local registered engineer also includes Thai engineers who registered with the PEB.

In conclusion, the ASEAN MRA facilitates Thai engineers in controlled engineering fields who graduated from universities in Thailand to register as ACPE, and work in Singapore as RFPE with a local registered engineer. However, of the total 1,260 registered ACPEs, there are only 24 from Thailand.<sup>84</sup>

### ***Architect***

The law regulating architects is Architect Act (Chapter 12) which was introduced in 1991, the same year as Professional Engineers Act was enacted. Architect and engineer are crucially correlated as they are both involved in construction industry and hence listed as allied professional<sup>85</sup> in their respective professional acts.

The key provision of Architect Act is to establish the regulatory body called Board of Architects (BOA). Section 15 stipulates the qualifications for registration with the BOA as follows:

---

<sup>83</sup> Professional Engineers Board, "Application for Registration as ASEAN Chartered Professional Engineer (ACPE)," <http://app.peb.gov.sg/circular/circular25.pdf> (Retrieved on September 3, 2014).

<sup>84</sup> ASEAN Chartered Professional Engineering Coordinating Committee, "Home," <http://acpecc.net/v2/> (Retrieved on September 3, 2014).

<sup>85</sup> Allied professional means professional engineer, architect, or land surveyor registered under the respective professional acts. Allied professionals are allowed to perform the three relating services only in collaboration with registered professionals of such services. For example, a registered architect may perform engineering service in collaboration with a registered professional engineer. Such provision may be based on the overlapping roles between the three professions, e.g. a design of building requires land surveying and engineering calculation.

(1) The applicant must holds the Degree of Bachelor of Architecture from the National University of Singapore or the University of Singapore or any other degree, diploma or qualification which the Ministry of National Development and the BOA approve. Similar to the case of professional engineer, no certificate from university of Thailand is approved;<sup>86</sup>

(2) After acquiring the degree, the applicant must satisfy one of the following conditions –

- acquire at least two years of experience in architectural work, of which 12 consecutive months must be working in Singapore and pass professional practical examination as prescribed or approved by the BOA; or
- acquire at least five years of experience in architectural work, of which two consecutive years must be working in Singapore and pass such oral or written examination as prescribed or approved by the BOA; or
- acquire not less than ten years of such practical experience in architectural work as may be recognised by the Board and passed such oral or written examination as prescribed or approved by the BOA;

(3) is of good character and reputation; and

(4) is able to carry out the duties of an architect effectively.

Similar to the case of professional engineer, Thai architects who graduated from any institution or university in Thailand which is not recognized by the BOA cannot register as an architect in Singapore. However, since Architect Act does not have limitation on citizenship, Thai architect graduating from any university recognized by the BOA can apply for registration to work as architect in Singapore.

---

<sup>86</sup> Board of Architects, "Educational qualification," <http://www.boa.gov.sg/education.html> (Retrieved on January 8, 2558).

In 2007, the ASEAN member countries signed the ASEAN MRA on Architectural Services in order to mutually accept qualifications of architects in the region. However, this MRA does not include Urban planning and Landscape architecture. Therefore, only architect and interior architect may utilize this MRA.

Qualifications mutually agreed under the MRA are as follows:

- (1) completed an accredited architectural degree recognised by the professional architectural accreditation body whether in the Country of Origin or Host Country or assessed and recognised as having the equivalent of such a degree. The education for architects should be no less than five years duration delivered on a full time basis in an accredited program in an accredited/ validated university in the Country of Origin while allowing flexibility for equivalency;
- (2) possess a valid professional licence from the Country of Origin;
- (3) acquire not less than ten years of architectural experience after graduation; provided that he/she had worked for five continuous years after obtaining professional licence, of which two years are spent in charge of significant architectural work.
- (4) complied with the Continuing Professional Development (CPD) policy of the country of Origin at a satisfactory level;
- (5) obtained certification from the Professional Regulatory Authority (PRA) of the Country of Origin with no record of serious violation on technical, professional or ethical standards, local and international; and
- (6) complied with any other requirements agreed upon by the ASEAN Architect Council (AAC).

Those who are qualified all the criteria mentioned above are eligible to register as ASEAN Architect (AA). An AA is eligible to work as architect in any ASEAN country by registering as a Registered Foreign Architect (RFA). In Singapore, an AA may work in

collaboration with a local architect, or choose independent practice if approved by BOA.<sup>87</sup>

To conclude, MRA on architectural services consists of conditions similar to the MRA on professional engineers. That is, a Thai architect who is specialized in architect or interior architect and holds a Bachelor's degree from university in Thailand, which is not recognized by the BOA under the Architect Act, may still work in Singapore after registering as AA and RFA respectively. Moreover, foreign architects are allowed to practice independently upon approval of the BOA, unlike foreign engineers which can work only in collaboration with a local engineer.

### *Land Surveyor*

Land Surveyors Act (Chapter 156) regulates land surveyors in Singapore. Section 2, defines "survey" as "the act or process of determining the form, contour, position, area, height, depth or any other particulars of the earth's surface, whether of land or water; or any natural or artificial features on, below or above any part of the earth's surface; or planning the position or the boundary lines of any part of the earth's surface, or of any natural or artificial features." Examples are the measurement of land boundaries, and assessment of land surface for construction. Land surveyor is one of the allied professionals under the Professional Engineers Act and Architect Act, since all three professions are related to construction service.

Land Surveyors Act establishes Land Surveyors Board (LSB) to regulate and register land surveyors in Singapore. Section 12 stipulates qualifications for registration of land surveyor as follows:

(1) be at least 21 years old;

(2) obtain a certificate of competency issued by the LSB; or pass a professional examination prescribed by the LSB and have professional experience as required by

---

<sup>87</sup> ASEAN Architect Council, "Board of Architects Singapore: Assessment Statement for ASEAN Architect," [http://www.aseanarchitectcouncil.org/pdf/singapore\\_Architect%20Assessment%20Statement.pdf](http://www.aseanarchitectcouncil.org/pdf/singapore_Architect%20Assessment%20Statement.pdf) (Retrieved on September 3, 2014).

LSB (currently this means one year of working under the supervision of a licensed land surveyor);<sup>88</sup> or recognised by the LSB to have adequate training and pass such other tests as the Board may require;

(3) passed an interview conducted by the LSB; and

(4) is of good character and reputation.

In the absence of educational qualifications in the Land Surveyors Act, the LSB which regulates the registration process requires the applicant to obtain a degree/certificate from the educational institution recognized by the LSB. There are currently 18 institutions – most of which are in Australia and England while none is from Thailand.<sup>89</sup>

In 2007 the ASEAN member countries signed the ASEAN Framework Arrangement for the Mutual Recognition of Surveying Qualifications. The agreement differs from the previous two MRAs on professional engineers and architect in the sense that it is only a framework for future negotiation. Therefore, Thai land surveyors who wish to perform land surveying services in Singapore must follow the the Land Surveyors Act and the regulations introduced by LSB.

### ***Medical practitioner***

The law regulating medical professionals in Singapore is Medical Registration Act (Chapter 174) which was introduced in 1997. The Act authorises the Singapore Medical Council (SMC) to regulate medical practitioners. Registration of medical practitioner in Singapore can be divided into three types. First is Full registration, which allows medical practitioner to practice independantly without restrictions on workplace. Second is Conditional registration, under which a medical practitioner is restricted to practice only in public hospitals and under supervision of a fully registered doctor. Third

---

<sup>88</sup> Land Surveyors Board, "Becoming a Surveyor: Overview," <https://www.mlaw.gov.sg/content/lbsb/en/becoming-a-surveyor/overview.html> (Retrieved on September 4, 2014).

<sup>89</sup> Land Surveyors Board, "Professional qualifications," <https://www.mlaw.gov.sg/content/lbsb/en/becoming-a-surveyor/professional-qualifications.html> (Retrieved on January 8, 2015).

is Temporary registration, which is for medical practitioner who is visiting institution in Singapore recognized by the SMC for the purpose of teaching, research, or postgraduate study in medicine.

### Full registration

Any person who wishes to apply for the full registration must fulfill one of the following requirements:<sup>90</sup>

- (1) holds a Degree of Bachelor of Medicine and Bachelor of Surgery (MBBS) from NUS and a certificate of training experience in housemanship; or
- (2) holds a Degree of Doctor of Medicine (MD) from Duke-NUS Graduate Medical School Singapore, a certificate of training experience and passed step 3 of the United States Medical Licensing Examination (USMLE); or
- (3) holds any other degree approved by the SMC, a certificate of training experience in hospital, and satisfies the SMC that he/she has special knowledge and sufficient experience in any particular branch of medicine;
- (4) has been conditionally registered for no less than one year for Singapore citizens, and two years for non-citizens<sup>91</sup>

Furthermore, those wishing to be fully registered must be of good character and accept physician's pledge before the application.

---

<sup>90</sup> Singapore Medical Council, "Full Registration," [http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/full\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/full_registration.html) (Retrieved on January 8, 2015). Section 20 of Medical Registration Act empowers SMC to prescribe different requirements for the different degrees, diplomas or licences in medicine. This is because the Act provides broad requirements such as holding a Singaporean degree (but does not specify which degree or from which university), or obtain a certificate of experience specified by SMC. Furthermore, Section 70 authorises SMC to issue regulations (upon the approval of the Minister of Health) relating to medical registration. Those interested to work as doctors in Singapore should follow the official website of SMC for up-to-date information.

<sup>91</sup> Singapore Medical Council, "Conditional Registration," [http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/conditional\\_registration.html#Table 1](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/conditional_registration.html#Table 1) (Retrieved on September 5, 2014).

### Conditional registration

Any person wishes to apply for the conditional registration must fulfill the following requirements:<sup>92</sup>

- (1) holds a degree from a university specified in the Second Schedule of the Medical Registration Act or a any other medical degree approved by the Specialists Accreditation Board;
- (2) has been selected for employment in Singapore as a medical practitioner in institutions approved by SMC;
- (3) holds a certificate of training experience in a hospital;
- (4) has been practicing as medical professionals at least three years prior to the date of application;
- (5) passed such national licensing examination as required in the country where the basic medical degree was conferred (if applicable);
- (6) holds a certificate of good standing issued by the Medical Council of the applicant's country; and
- (7) fulfills an English language requirements of SMC.

It is apparent that foreign physicians who do not graduate from a medical program of NUS will find it easier to apply for conditional registration. Currently, the SMC has not approved any medical degree in Thailand. Thus, Thai doctors with Thai medical degrees are neither eligible for full nor conditional registration.<sup>93</sup>

---

<sup>92</sup> Ibid.

<sup>93</sup> Singapore Medical Council, "List of Registrable Basic Medical Qualifications," [http://www.healthprofessionals.gov.sg/content/dam/hprof/smc/docs/becoming\\_registered\\_doctor/Second%20Schedule%20-%20Registrable%20Basic%20Medical%20Qualifications.pdf](http://www.healthprofessionals.gov.sg/content/dam/hprof/smc/docs/becoming_registered_doctor/Second%20Schedule%20-%20Registrable%20Basic%20Medical%20Qualifications.pdf) (Retrieved on April 8, 2015).

### Temporary registration

There are three categories in temporary registration: Visiting Expert, Training, and Service Provision.<sup>94</sup>

Qualifications for Visiting Expert are as follows:

- (1) still be in active clinical practice;
- (2) have a basic medical degree from an accredited medical university or medical school;
- (3) have passed the relevant national licensing examination in the country of conferment of basic degree, where applicable;
- (4) have evidence of at least 12 months housemanship/internship with a certificate of satisfactory completion of housemanship or equivalent;
- (5) have been registered as a medical practitioner in the country where he/she is currently practising in;
- (6) have been certified to be of good standing by the Medical Council or the relevant national authority; and
- (7) possess the pre-requisite knowledge, experience, skills and of international standing. In addition, verification of the visiting expert's expertise must be obtained.

It should be noted that Visiting Expert who does not plan to perform procedures on patients but strictly conducting research or administrative work does not have to register with SMC. However, if the Visiting Expert wishes to perform on patients, either to care for or demonstrate, a registration with SMC is required.

---

<sup>94</sup> Singapore Medical Council, "Temporary Registration,"

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/temporary\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/temporary_registration.html) (Retrieved on January 8, 2015).



Qualifications for Training are as follows:

- (1) holds a basic medical degree from an accredited medical university or medical school;
- (2) passed the relevant national licensing examination in the country of conferment of basic degree, where applicable;
- (3) acquired evidence of at least 12 months housemanship/internship with a certificate of satisfactory completion of housemanship or equivalent;
- (4) been registered as a medical practitioner in the country where he/she is currently practising;
- (5) been certified to be of good standing by the Medical Council or the relevant national authority.
- (6) been in active clinical practice for the 3 years preceding the application for medical registration.
- (7) accepted for training as either a Clinical Fellow or Clinical Observer (See Table 2.3 for requirements and scope of training for both types)

**Table 2.3 Requirements and scope of training for Clinical Fellow and Clinical Observer**

Requirements and scope of training	Clinical Fellows	Clinical Observers
Fulfil English language requirements (if medium of instruction for basic degree is not in English)	Yes	No
Sponsorship (Any agreement with pharmaceutical companies as sponsors will not be acceptable)	Local/overseas institutions or government bodies	All other sponsors, including self
Require 3 years post-housemanship experience or postgraduate diploma or degree	Yes	No
Period of training allowed	Maximum 12 months	Maximum 12 months
Involved in patient care, write case notes, communicate care plans & perform procedures under direct supervision	Yes, under direct supervision	Only allowed to assist in procedures under <u>direct supervision</u>

Accreditation of training programme	Requires accreditation by SMC	No accreditation required
-------------------------------------	----------------------------------	------------------------------

Source: Singapore Medical Council, "Temporary Registration,"

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/temporary\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/temporary_registration.html) (Retrieved on January 8, 2015).

Qualifications for Service Provision are as follows:

(1) has been practicing for medical professional for a period not less than 168 hours within three years prior to the date of application;

(2) holds a medical degree from approved school or institution;

(3) holds medical license from the same country granting the medical degree submitted for registration (if any);

(4) holds a certificate of at least 12 months' training experience in a hospital;

(5) have at least 3 years of post housemanship working experience as a medical officer (or equivalent) in the relevant field/specialty or possess a postgraduate medical qualification in the relevant field/specialty;<sup>95</sup>

(6) fulfil the English Language requirements of SMC;

<sup>95</sup> It should be noted that this requirement does not intend to allow only specialist to apply for temporary register of this type, but opens for medical practitioners with experience in relevant field. Had the SMC wanted to allow only specialist, there should have been more requirements, especially specialist training and registration which Singapore has regulations separated from medical practitioner and family physician. Please visit Singapore Medical Council, "Specialist Registration," [http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_specialists/specialist\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_specialists/specialist_registration.html) (Retrieved on January 8, 2015). The rationale for this requirement may lay on the difference in medical education and healthcare system across countries. The medical education may be divided into two types: the British (those follows this type are ex-British colonies including Singapore), and the American (which Thailand takes after). The subjects taught, years of training, medical procedure, as well as field of specialty differ between these two types. For example, some of the various fields of specialty offered in the US may not be available for training or approved as a field of specialty in some countries. It is more likely that the SMC made this requirement in order to open an opportunity for those who consider themselves eligible to submit application to SMC, which will then review the application on a case by case basis. However, the applicant must be able to prove that he/she actually possess experience in the relevant field, e.g. present a record of hours working in operation unit or patients under care.

(7) is a registered doctor in a country he is currently working; and

(8) gained a certificate of good conduct issued by the Medical Council of applicant's country;

Those approved for temporary registration under the Service Provision type must work in the field and institute approved by SMC, under supervision of fully registered medical practitioner appointed by SMC who have to report to SMC from time to time. Nevertheless, this type of registration may be an interesting choice for Thai doctors because it allows those holding degrees not listed in the Second Schedule of Medical Registration Act to work as medical practitioner in Singapore for 24 months. This is renewable upon approval of SMC. Conditional registration and full registration is also possible afterwards, if the applicant passes an assessment by the SMC.

To sum up, medical practitioners from Thailand have opportunity to work in Singapore under the Medical Registration Act. The reason why the law is opened for foreign medical practitioner may be based on the inadequate supply of domestic medical practitioners. There are only three medical schools in Singapore namely Yong Loo Lin School of Medicine at NUS, the Duke-NUS Graduate Medical School which is a collaboration between NUS and Duke University, and Lee Kong Chian School of Medicine, a collaboration between Nanyang Technological University (NTU) and Imperial College in the UK, which was just opened in 2013.

In 2009 the ASEAN member countries agreed on the ASEAN MRA on Medical Practitioners which aims to facilitate medical practitioner from one ASEAN member countries to work in another, subjected to the following criteria:

(1) holds a medical degree certified by the Medical Councils of applicant's and register's countries;

(2) holds a a valid professional registration and current practising certificate to practise medicine issued by the Medical Councils of the Country of Origin;

(3) has been in active practice as a general medical practitioner or specialist, as the case may be, for not less than five continuous years in the Country of Origin;

- (4) in compliance with CPD at satisfactory level in accordance with the policy on CPD mandated by the Medical Councils of the Country of Origin;
- (5) has been certified by the Medical Councils of the Country of Origin of not having violated any professional or ethical standards, local and international, in relation to the practice of medicine in the Country of Origin and in other countries as far as the Medical Councils is aware;
- (6) has declared that there is no investigation or legal proceeding pending against him/her in the Country of Origin or another country; and
- (7) in compliance with any other assessment or requirement as may be imposed on any such applicant for registration as deemed fit by the Medical Councils or other relevant authorities of the Host Country.

The MRA on Medical Practitioners differ from the previous MRAs on engineer and architect in the sense that MRA on Medical Practitioners still requires qualified doctors to register with the Medical Council in the Host Country. Therefore, the research team is of an opinion that temporary registration (Service Provision) may be useful for Thai doctors rather than the MRA. This is because every qualification required under temporary registration (Service Provision) resembles those under the MRA. An exception is that temporary registration (Service Provision) requires only three years of experience whereas the MRA requires five years. In addition, the MRA clearly emphasizes that five years of experience must be spent within applicant's Country of Origin. Therefore, a doctor who has collected clinical experiences in many countries, but spent less than five years within his/her home country, would be disqualified. Thus, directly applying for temporary registration (Service Provision) with the SMC may be the most convenient option for Thai medical practitioners to work in Singapore.<sup>96</sup>

---

<sup>96</sup> It should be noted that this MRA only include mutually recognised qualifications of medical practitioners, not medical specialist. If considered that the MRA is broadly subjected to domestic regulations and conditions, this MRA may not allow foreign specialist to work as specialist in Singapore. Medical specialists are regulated separately. This MRA will however facilitate foregin specialist from other ASEAN states to work as medical practitioner in Singapore.

### *Nurse*

Nurses in Singapore are regulated by Nurses and Midwives Act (Chapter 209), which was introduced in 1999 with the key aim to establish Singapore Nursing Board (SNB) and lay out conditions for registration of nurses and midwives in Singapore. Nursing professional in Singapore can be classified into two types namely Registered Nurse (RN), who must graduate with a Bachelor of Nursing from a university and is able to perform nursing services, and Enrolled Nurse (EN) who must hold a nursing certificate from vocational school and has to work under the supervision of RN.

There are four institutions which offer nursing degree for registration of RN and one issuing nursing diploma for EN.<sup>97</sup> Any person wishing to register as nurse in Singapore must apply within five years after the date of program completion. The SNB may require the applicant to submit the medical examination at his/her own expense, or to undergo such induction programme or the competency assessment arranged by the SNB. For those who completed nursing degrees outside Singapore, the following additional four requirements must be fulfilled:

- (1) have an offer of employment with a healthcare institution in Singapore, which will be responsible for his/her application of registration/enrolment;
- (2) hold a degree or a diploma of nursing and transcript indicating course curriculum and credits;
- (3) registered as nurses and hold nursing licences in the country where they were trained;

---

However, this opinion is drawn from the comparison between the ASEAN MRA on Medical Practitioners and domestic regulations for registration introduced by SMC. The MRA on Medical Practitioners may be useful for Thai doctors who wish to work in other ASEAN countries where regulations are more strict than that in Singapore.

<sup>97</sup> Singapore Nursing Board, "Local Graduates,"

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/local\\_graduates.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/local_graduates.html) (Retrieved on September 28, 2015).

- (4) obtained letter of reference from previous employer(s), which must be written by Nursing Director or Head of Nursing.<sup>98</sup>

In some cases, the SNB may require the applicant who has completed nursing course outside Singapore to take a one-hour written licensure examination<sup>99</sup> prescribed by the SNB, or take both professional and language competency assessments, or the applicant may obtain a temporary registration/enrolment and work under conditions.

It can be seen that conditions for working as nurses in Singapore are quite flexible. Most of the conditions lie markedly upon the discretion of the SNB. Any registered nurse from Thailand is eligible to work as a nurse in Singapore if the person is offered a position by hospital, clinic, or other institution in Singapore. More importantly, the organization will be responsible for the entire process of registration or enrolment.

In 2006 the ASEAN member countries signed the ASEAN MRA on Nursing Services to facilitate the mobility of registered/enrolled nurses across ASEAN countries by mutually agreeing on the following qualifications:

- (1) granted a Nursing Qualification;<sup>100</sup>
- (2) in possession of a valid professional registration and/or licence from the Country of Origin and a current practising licence or certificate or any relevant certifying documents;
- (3) acquired a minimum practical experience in the practice of nursing of not less than three continuous years prior to the application;

---

<sup>98</sup> Singapore Nursing Board, "Foreign Trained Nurses and Midwives,"

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/internationally\\_qualified\\_nurses\\_midwives.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/internationally_qualified_nurses_midwives.html) (Retrieved on September 8, 2014).

<sup>99</sup> Singapore Nursing Board, "SNB Licensure Examinations,"

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/snb\\_licensure\\_examinations.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/snb_licensure_examinations.html) (Retrieved on September 8, 2014).

<sup>100</sup> Article 2.5 of ASEAN MRA on Nursing Services defines Nursing Qualification as "Nursing Qualification means the qualification in nursing granted by a recognised Training Institution approved and recognised by the Nursing regulatory Authority and/or the appropriate agency of the Country of Origin".

- (4) in compliance with satisfactory continuing professional development in accordance with the Policy on Continuing Professional Development in nursing as may be mandated by the Nursing Regulatory Authority (NRA) of the Country of Origin;
- (5) holds a Certification from the NRA of the Country of Origin of no record or pending investigation of having violated any technical, professional or ethical standards, local and international, for the practice of nursing; and;
- (6) in compliance with any other requirements, such as to submit for a personal medical examination or undergo an induction program or a competency assessment, as may be imposed on any such application for registration and/or licence as deemed fit by the NRA or any other relevant authority or the Government of the Host Country concerned.

Similar to the case of medical practitioner, the requirements imposed by SNB are easier to fulfill than that of MRA, which requires three years of work experience prior to the date of application. The rationale for such a flexible policy may be explained by the limited availability of training institution for nursing professional in Singapore. As a result, Singapore welcomed a large number of foreign nurses into the country, which constituted for nearly half of the total nurses in Singapore. In 2011 there were 1,326 foreign nurses, out of 2,657 registered nurses in Singapore.<sup>101</sup> This may be an opportunity for the qualified nurses from Thailand to work as nurses in Singapore.

#### ***Dental Practitioner***

The law regulating dental practitioner in Singapore is the Dental Registration Act (Chapter 76). The main objective of this Act is to establish Singapore Dental Council (SDC) to regulate the registration and the practice of dentists in Singapore. There are three types of registration. First is Full registration which allows fully registered dentists to work independently in any institution of choice. Second is Conditional registration

---

<sup>101</sup> Salma Khalik "Singapore Faces Nurse Shortfall for Years to Come," [\*Straits Times\*](#), 15 February (2013).

which requires the dental practitioner to work under supervision of a fully registered dentist and only in the institution they apply for at the time of registration. Third is Temporary registration which enables the dental practitioner to come to Singapore for teaching, training, studying, or conducting research in the organization approved by the SMC. Those who are not qualified for the first and second types of registration may also apply for the temporary registration, if the SMC considers them as suitable and capable of performing dental services in Singapore.

Any person applying for full registration must hold a basic dental degree from a university in Singapore,<sup>102</sup> or such qualifications as may be recognised by SDC, and possesses special knowledge and skill and sufficient experience in any particular branch of dentistry, which SDC will consider on a case by case basis.

The dental practitioners who acquired a certificate of conditional registration for more than two years may, upon the approval of the SDC, apply for the full registration. Those wishing to apply for conditional registration must fulfill the following requirements in either Category A or Category B:

*Category A*

- (1) holds a degree from a university specified in the Schedule or any other degree which is, in the opinion of the SDC, not lower in standing than a degree specified in the Schedule of Dental Registration Act;<sup>103</sup>
- (2) passed the relevant State/Regional Board licensing examination in the country which they attained their basic dental degree;

---

<sup>102</sup> Section 14 of Dental Registration Act mentions only Singapore degree, while the SDC further specifies that, in Singapore, only the National University of Singapore offers dental degree. For more information, visit Singapore Dental Council, "Training to be a professional," [http://www.healthprofessionals.gov.sg/content/hprof/sdc/en/leftnav/training\\_to\\_be\\_professional.html](http://www.healthprofessionals.gov.sg/content/hprof/sdc/en/leftnav/training_to_be_professional.html) (Retrieved on January 9, 2015).

<sup>103</sup> Singapore Statutes Online, "Dental Registration Act," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=b2b75256-3c6d-4290-81f8-77647c970971;page=0;query=DocId%3Aed257046-3eb6-490d-8c71-3757a86f4348%20Depth%3A0%20Status%3Ainforce;rec=0#Sc-> (Retrieved on January 9, 2015).



(3) has been selected for employment in Singapore as a dentist in any hospital or other institution or dental practice approved by the SDC; and

(4) satisfies the SDC that he has the knowledge and skill and has acquired the experience which is necessary for practice as a dentist in Singapore;

#### *Category B*

Any person aiming to apply for conditional registration using the qualifications under Category B must pass qualifying examination. In order to sit the examination, the following criteria must be met:

- been offered to work as a dentist; and
- is a Permanent Resident (PR) in Singapore or a spouse or dependants of a PR; or possess a basic dental degree that is comparable to the local Bachelor of Dental Surgery (BDS) or higher qualifications recognised by SDC; and
- passed English Language Proficiency examination, in the case where the applicant's first language is not English.

In spite of the fact that a dental degree of Thailand is not included in the Schedule of Dental Registration Act, Thai dentists can apply for the conditional registration upon approval of the SDC. However, Thai applicants have to pass all qualifying examination.

For those who do not want to attend such examinations, temporary registration is an alternative. Temporary registration is valid for three years and renewable upon the approval of the SDC, if one of the following conditions is met:

(1) the applicant visits Singapore for the purpose of teaching, conducting research, or studying a postgraduate degree;

(2) the applicant has the knowledge and skill considered by SDC to be of international standard or of benefit to the people in Singapore; or

(3) the applicant who fails to meet criteria mentioned in the Dental Registration Act but, in the opinion of SDC, has adequate qualifications to apply.

In 2009, the ASEAN member countries signed ASEAN MRA on Dental Practitioners to facilitate the flow of dental practitioners from one ASEAN states to another by mutually recognised the following qualifications:

- (1) in possession of a dental qualification recognised by the Professional Dental Regulatory Authority (PDRA) of the Country of Origin and Host Country;
- (2) in possession of a valid professional registration and current practicing certificate to practise dentistry issued by the PDRA of the Country of Origin;
- (3) has been in active practice as a general Dental Practitioner or specialist, as the case may be, for not less than five continuous years in the Country of Origin;
- (4) in compliance with CPD at satisfactory level in accordance with the policy on CPD mandated by the PDRA of the Country of Origin;
- (5) has been certified by the PDRA of the Country of Origin of not having violated any professional or ethical standards, local and international, in relation to the practice of dentistry in the Country of Origin and in other countries as far as the PDRA is aware;
- (6) has declared that there is no investigation or legal proceeding pending against him/her in the Country of Origin or another country; and,
- (7) in compliance with any other assessment or requirement as may be imposed on any such applicant for registration as deemed fit by the PDRA or other relevant authorities of the Host Country.

It is apparent the MRA on Dental Practitioners are very similar to the MRA on Medical Practitioners. Similar to the case of medical practitioner, the dentists who attained a degree in Thailand will find it more convenient to apply for temporary or conditional registration with the SDC than fulfilling the conditions under the MRA, which also requires registration with SDC. The SDC also has the right to impose additional requirements for the registration as the MRA is based on domestic regulation, which is under the SDC authority. Therefore, directly applying for temporary registration with SDC, which does not specify on work experience (as the SDC will consider on a case by case basis) may be easier than following the MRA which requires five years of work experience.

### *Public accountant*

Public accountants in Singapore are regulated by Accountants Act (Chapter 2), which was enacted in 2004. The regulatory body is Accounting and Corporate Regulatory Authority (ACRA) which was established by Accounting and Corporate Regulatory Authority Act (Chapter 2A). Only those registered as public accountants under the Accountants Act and accounting corporations registered with ACRA may provide the audit and report of financial statements in Singapore. Other services such as providing consultation on taxes or account are not regulated by any written law in Singapore.

Qualifications for the registration of public accountant under the Accountants Act (Chapter 2) are as follows:

- (1) has attained the age of 21 years;
- (2) holds an accounting degree approved by ACRA (all of which belong to institutions in Singapore), or passed licensure examination prescribed by professional accountancy organizations of foreign countries such as those in the US, the UK, and Australia, but none in Thailand;<sup>104</sup>
- (3) from 1 February 2015, all applicants to be a public accountant will need to have met the practical experience requirements set out below<sup>105</sup>
  - Qualifying Audit Experience (QAE) which includes audit management, audit quality review, or senior audit technical role of no less than 2,500 hours within five years; and
  - Key Audit Functions (KAF) such as planning, directing participation, preparing audit report under supervision of Audit Principal (AP) who has

---

<sup>104</sup> Accounting and Corporate Regulatory Authority, "Professional Requirements for Registration as Public Accountants," <https://www.acra.gov.sg/components/wireframes/howToGuidesChapters.aspx?pageid=1676#1679> (Retrieved on September 9, 2014).

<sup>105</sup> Accounting and Corporate Regulatory Authority, "Practical Experience Routes," <https://www.acra.gov.sg/components/wireframes/howToGuidesChapters.aspx?pageid=1676#1680> (Retrieved on September 9, 2014).

been registered as public accountant for no less than five years.

Applicants who wish to submit the QAE using the senior audit technical role must acquired KAF for no less than 1,250 hours.

Applicants may include the experience practised before 1 February 2015, if the QAE and KAF were gained within five years before the date of submission and were under supervision of AP as prescribed.

(4) is a member of Institute of Singapore Chartered Accountants – the professional accountancy organization in Singapore;

(5) is practising or about to practice as a public accountant in Singapore;

(6) has or will have a workplace to practice;

(7) his/her professional licence has never been withdrawn in any country.

Similar to other professionals, public accountant in Singapore has no restriction regarding citizenship. Although there is a limitation on the qualifications approved by ACRA, Thai public accountants are still able to take examination with foreign accountancy organizations including the Association of Chartered Certified Accountants (ACCA) which is a global organization approved by many countries.

In 2009 the ASEAN member countries agreed the ASEAN Mutual Recognition Arrangement Framework on Accountancy Services which was similar to the case of land surveyors, i.e. the agreement was only a framework for future negotiation. Afterwards, the ASEAN states finally reached an agreement on the ASEAN Mutual Recognition Arrangement on Accountancy Services in November 2014. The MRA covers accounting, auditing, and bookkeeping services in the UN Central Product Classification (CPC 862).

The key content of this MRA is the mutually recognised qualifications for the registration of ASEAN Chartered Professional Accountant (ACPA), who is eligible to register as Registered Foreign Professional Accountant (RFPA) with the regulatory body in the Host Country. The RFPA is entitled to provide accounting services in the Host Country, but only in collaboration with the local public accountant and subjected to the domestic regulations in the Host Country.

Qualifications to apply for ACPA are as follows.

(1) has completed an accredited accountancy degree or professional accountancy examination programme recognised by the National Accountancy Body (NAB) and/or Professional Regulatory Authority (PRA) of the Country of Origin or Host Country, or has been assessed and recognised by the National Accountancy Body and/or Professional Regulatory Authority as having the equivalent of such a degree;

(2) possesses a current and valid professional registration certificate in the Country of Origin issued by the National Accountancy Body (NAB) or Professional Regulatory Authority (PRA), of that Country of Origin and in accordance with its policy on the registration, licensing and/or certification of the practice of accountancy;

(3) has acquired relevant practical experience of not less than three (3) years cumulatively within a five (5) year period following the qualification referred to in (1);

(4) has complied with the Continuing Professional Development (CPD) policy of the Country of Origin; and

(5) has obtained certification from the National Accountancy Body (NAB) and/or Professional Regulatory Authority (PRA) of the Country of Origin, that he or she has no record of any serious violation of technical, professional or ethical standards, local and international, applicable to the practice of accountancy.

Thai nationals who meet the above requirements are eligible to apply for ACPA through the regulatory authorities in Thailand, the Federation of Accounting Professions (FAP) and the Ministry of Commerce, which will coordinate with the ASEAN Chartered Professional Accountants Register (ACPAR). Once registered, an ACPA may apply to become a RFPA with the ACRA in order to work as public accountant in Singapore, provided that he/she must work in collaboration with a local registered public accountant, and practice in the field approved by ACRA.

It could be said that this MRA helps facilitating Thai accountants who hold Thai degrees, which are not recognised by ACRA, to be able to register with ACRA. Nevertheless, services not included in the Accountants Act such as tax consulting are not regulated by ACRA. For those interested to provide such services, they may do so in

Singapore if they satisfy the requirements under Immigration Act (Chapter 133) and Employment of Foreign Manpower Act (Chapter 91A).

To conclude, Singapore welcomes foreign professionals, especially those in services sector such as construction service (professional engineer, architect, and land surveyor), healthcare sector (medical practitioner, dental practitioner, and nurse), as well as financial service (public accountant). This may be attributed to the limited human resources and number of professional training institutions in the country. While there is no requirement on citizenship for registration of professionals mentioned above, Singapore controls the quality of professional practices from foreign degrees by recognizing mostly the degrees from developed countries. However, some professionals such as engineer and architect who attained a degree from university in Thailand may be able to utilize the seven MRAs mentioned above. Meanwhile, medical practitioner and dental practitioner may find it more convenient to directly register with the professional regulatory authorities rather than meeting the requirements under MRAs.

## **2.2 Foreign Investment**

As mentioned earlier, Singapore heavily relies on international trade owing to the scarcity of natural resources. Singapore's economy is remarkably driven by foreign investment, which leads to flexible regulations in foreign investment laws. This part reviews foreign investment in two points: foreign investment laws, and special treatment offered by Singapore to ASEAN investors.

### **2.2.1 Foreign Investment Laws**

There is no law in Singapore prohibiting or limiting joint ventures with foreign investors, or barring foreigners to take state concession. Local and foreign investors must follow the same investment law, Companies Act (Chapter 50). There are, however, four services sectors which have separate regulation for foreigners, namely media, telecommunications, financial services, and legal services in relation to Singapore law.

#### ***A) Investment Laws***

Singapore allows foreigners to invest up to 100% in almost all sectors, and treats local and foreign investors equally. Foreign investors can own lands and buildings in

Singapore, and may transfer money or profits derived from business in Singapore to another country. Economic Development Board (EDB) is the authority in charge of investment promotion. In Singapore, there is no specific law regulating foreign investment and thus foreign enterprises are subjected to Companies Act (Chapter 50), while investment incentives are provided by investment promotion agency.

### ***Business establishment***

Establishment of foreign company in Singapore is regulated under Companies Act (Chapter 50). Registration with the Accounting & Corporate Regulatory Authority (ACRA) is required under Section 370 (1) of Companies Act (Chapter 50), as shown in Figure 2.1 below. (For registration of foreign company, please see 2.4.1)

### ***Investment incentives***

Singapore provides a variety of incentives for investors, depending on the relevant authorities. Some of the key incentives are in the following:

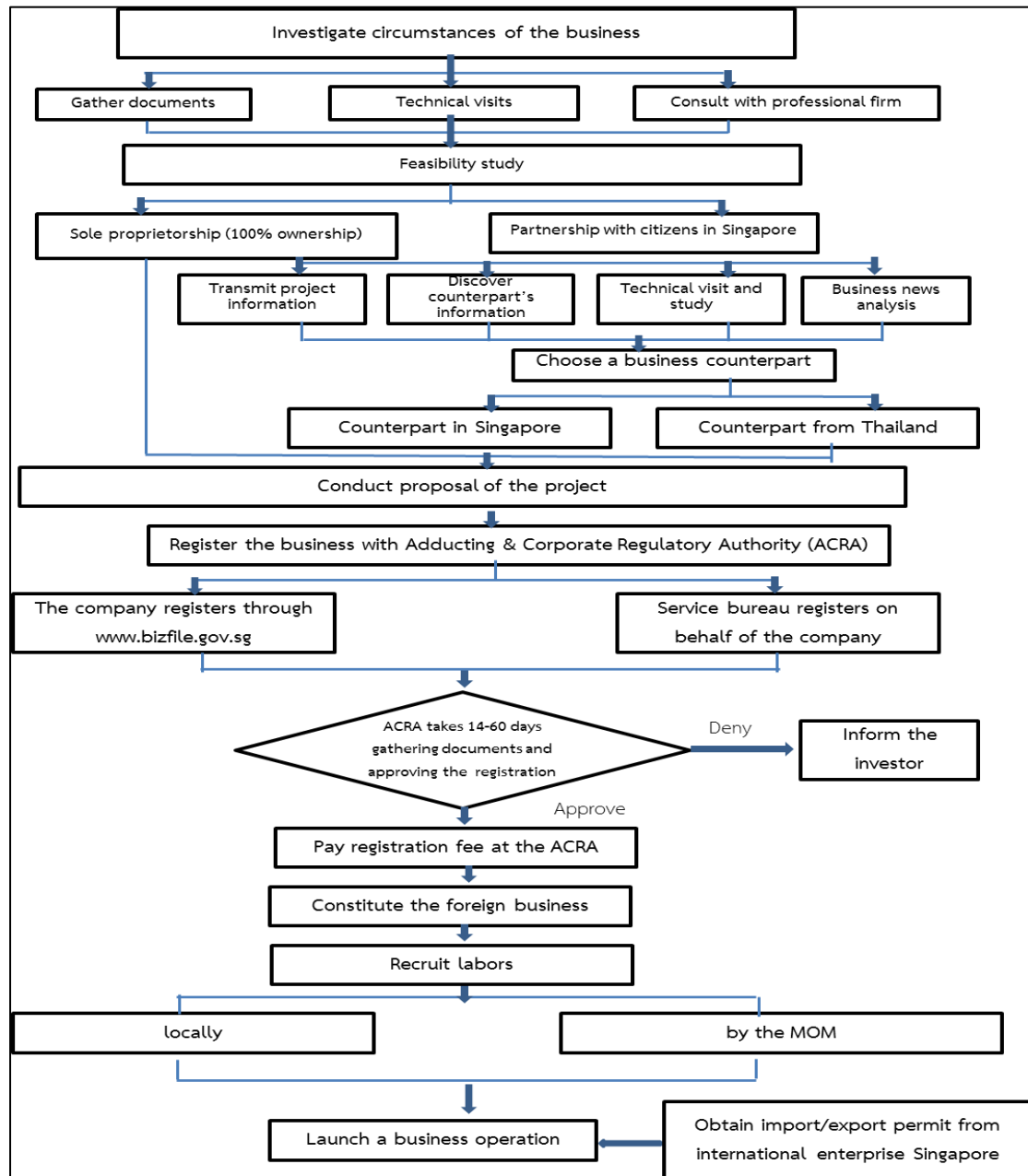
- Enterprise Investment Incentive Scheme, which provides tax incentives to the entrepreneurs who did not register their businesses as listed companies, but currently have no less than \$10,000 paid-up authorised capital and new product development or services innovation. The company can use the cumulative value of losses as corporation tax relief up to \$3,000,000. The overseeing authorities are EDB and Standards, Productivity and Innovation Board (SPRING).<sup>106</sup>
- Tax Exemption for Start-Ups, which also provides tax incentive for any legal entity registered in Singapore with less than 20 shareholders – all of which are natural persons. The entity may ask for exemption in income tax. The first \$100,000 of annual income will be exempted from tax calculation for three years. The relevant authority is Inland Revenue Authority of Singapore.

---

<sup>106</sup> SPRING is responsible for the development and support of quality and standard of goods and services in Singapore. It is a statutory body under Ministry of Trade and Industry.

- Licensed Warehouse Scheme, which exempts the company with warehouses registered as "licensed warehouse" from GST during the period while goods are storing in the licensed warehouse. The overseeing authority is Singapore Customs.

Figure 2.1 Investment Permit Application & Business Registration in Singapore



Source: Office of the Board of Investment (Bangkok, Thailand), "Procedure of Investment in Singapore,"

[http://www.boi.go.th/thai/asean/Singapore/capt5\\_p1n.html](http://www.boi.go.th/thai/asean/Singapore/capt5_p1n.html) (Retrieved on September 9, 2014).



### *Investment promotion measures*

- Free Trade Zones (FTZs). Singapore established FTZs under Free Trade Zone Act (Cap. 114) to facilitate the import, export, and transport of the products within designated areas including seaports and airports. Goods in FTZs receive tax exemption.
- Non-resident must pay 15% tax when borrowing outside Singapore. The government, however, allows exemption in the case where the objective of borrowing is for the purpose of purchasing effective machineries. The overseeing authority is Inland Revenue Authority of Singapore.

### *Bilateral Investment Treaties (BITs)*

Singapore has negotiated and concluded 18 Bilateral Investment Treaties (BITs) to promote and protect investment with other countries, including seven ASEAN states namely Brunei, Malaysia, Philippines, Singapore, Vietnam and Thailand.

BITs are international agreements between two or more countries, with an objective of providing protection over investment approved by domestic laws of the signatories. The protection is enforced in post establishment fashion, and only covers the damages resulting from government measures, not risks taken by business's own decision.

Investors eligible to utilize BITs are those with citizenship of participatory states, as well as legal entities founded under laws of the signatories. The BITs covers equal treatment to local investor, or Most Favoured Nation, compensation for the loss due to disasters in the invested country, and investor-State dispute settlement through arbitration.

### *B) Services sectors under regulation*

Although Companies Act (Chapter 50) does not prohibit foreigners from investing, entering into join-venture, or receiving state concession, some of the services sectors which are the key driving force of Singapore's economy have regulations relating to foreign investment. These are media, telecommunications, financial services, and legal services in relation to Singapore law.

- *Media*

The media services in Singapore which still have regulations on foreign investments are broadcasting service and newspaper and printing services.

*Broadcasting service*

Broadcasting service in Singapore is regulated under Broadcasting Act (Chapter 28), which requires any broadcast service providers to apply for permission from the Media Development Authority (MDA), a statutory body under Ministry of Communications and Information (MCI). The MDA is responsible for broadcasting services regulation, issuance of licence, and installation of broadcasting apparatus. This section introduces provisions relating to foreign services providers as below.

Under Broadcasting Act (Chapter 28), foreign broadcasting service is defined as "a broadcasting service which transmits from a place outside Singapore broadcasting services which are capable of being received in Singapore".<sup>107</sup> This includes any broadcasting service transmitting from a place in Singapore but which is owned, controlled or managed by or on behalf of —

- the government of a country outside Singapore or the agent of any such government, whether resident in Singapore or otherwise;

- any company, association or society incorporated or constituted under any law in force outside Singapore, whether or not it has a branch office or place of business in Singapore; or

- any person who is not a citizen of Singapore, whether or not he is resident in Singapore.<sup>108</sup>

Therefore, foreign broadcasting service under the Broadcasting Act (Chapter 28) includes the broadcasting service transmitting from the Thai Embassy and embassies of other countries in Singapore, companies and legal entities registered

---

<sup>107</sup> Section 29 (4)

<sup>108</sup> Section 31 (6)

under Thai laws but operating in Singapore, as well as Thai citizens working or studying in Singapore.

#### *Limitation on foreign investment*

Part X Ownership and Control of Broadcasting Companies sets out conditions on foreigners investing in broadcasting services as follows.

1) Unless the Authority otherwise approves, the chief executive officer (CEO) of a broadcasting company and at least one-half of its directors shall be citizens of Singapore.

2) Foreigners are barred from holding more than 49% of total equity or being in a position to control voting power of greater than 49% in the company or its holding company unless the MDA otherwise approves. Any company violating this condition will have its licence revoked without any compensation.

Any person aggrieved by any refusal of the Authority to grant its approval or consent under any provision of this Part may appeal to the Minister whose decision shall be final (Section 45). District Court and Magistrate's Court have jurisdiction to try any offence under the Act and have power to impose the full penalty or punishment in respect of the offence (Section 48).

It can be seen that, even though foreign investment in broadcasting company is limited to 49%, the law leaves some room for the Minister or MDA to give approval in some special cases. This reflects the reliance of Singapore on foreign investment which prevents the government from absolutely barring inbound investment. The need to have flexible investment regulation is also distinct, as the Minister has power to approve foreign investment under Broadcasting Act, without issuing any subsidiary legislation, in the case where urgent fund is needed and local source unavailable.

#### *Limitation on service provision*

MDA has the duty to consider the quality and content of foreign broadcasting service. If MDA finds that the content of such service included any matter which prejudices the public interest or order, national harmony or offends against good taste

or decency, it shall notify the Minister who has the authority to cancel the broadcasting. (Section 29 of Broadcasting Act)

If the MDA approves of the quality and content of such service, it shall pass over the matter to the Minister to grant the approval. The rebroadcast of foreign broadcasting service in Singapore is provided through two licensed providers: StarHub Cable Vision Ltd. and SingNet Pte. Ltd. The Minister may determine the number of receiver and broadcasting schedule in the way he considers appropriate.

Section 30 states that any person who offers any kind of support including financial support to foreign broadcasting service provider who is guilty of any offence under this Act must be liable on conviction to a fine not exceeding \$ 40,000, or imprisonment for a term not exceeding 3 years, or both.

In sum, the provision of broadcasting services such as television and radio can be done inside and outside Singapore. However, the contents and quality must be inspected by the MDA before being submitted to the Minister for approval. Any approved TV and radio program can only be rebroadcasted through StarHub Cable Vision Ltd. and SingNet Pte. Ltd. These two companies are the biggest cable TV providers in Singapore and have Temasek Holdings, the government investing company, as their major shareholder. Hence, it could be said that foreign broadcasting service is under the regulation of Singapore government from upstream to downstream of the supply chain.

### ***Newspaper and printing services***

Newspaper and printing services are regulated under the Newspaper and Printing Presses Act (Chapter 206) which was enacted in 1974 in order to set out regulations for registration and the licensing of newspaper companies and overseen by the Ministry of Communications and Information (MCI) and MDA. The Act dictates that

newspaper in Singapore must be published only by newspaper company.<sup>109</sup> Key provisions relating to foreign investment are as follows.

*Limitation to foreign investment*

Every newspaper company in Singapore shall have the following features:

- 1) all directors must be citizens of Singapore; and
- 2) there must be two classes of share
  - ordinary share
  - management share. The holders of this share shall have veto power over selected board decisions. Management shares can be hold only by a citizen or a company of Singapore approved by the Minister of Communications and Information (MCI) (Section 10).

It should be noted that a person cannot be in a position to control voting power, whether directly or indirectly, up to 12% of the total (a 12% controller) in a newspaper company without first obtaining the approval of the Minister (Section 12).

Moreover, newspaper companies in Singapore are prohibited from receiving financial support from foreign government, company, or person directly or indirectly unless being otherwise approved by the Minister (Section 19).

*Limitation on service provision*

Under Newspaper and Printing Presses Act (Chapter 206), an offshore newspaper means "a newspaper published outside Singapore at intervals not exceeding one week which contains news, intelligence, reports of occurrences, or any remarks, observations or comments, pertaining to the politics and current affairs of any country in South-East Asia, except where the circulation of every issue of the newspaper in Singapore is less than 300 copies". A newspaper is published outside Singapore if,

---

<sup>109</sup> Section 8 (1) No newspaper to which this Part applies shall be published in Singapore except by a newspaper company unless the newspaper has been exempted from the provisions of this Part.

and only if, its contents and editorial policy are determined outside Singapore (Section 23 (7)).

The selling, distributing, importing, or acquiring for sale or distribution of offshore newspapers in Singapore requires permit from the Minister, who may restrict the volume of sale and distribution, or collect a deposit for the purpose of meeting any liability or costs arising out of any legal proceedings in connection with the publication of the newspaper. The Minister may, by order published in the Gazette, declare any newspaper published approved for or banned from selling, distributing, or importing into Singapore (Section 23).

Any person entering Singapore must declare whether or not he has with him any declared foreign newspaper listed in the Gazette, upon being requested by authorized officer (Section 26).

Any person aggrieved by the Minister's decisions made under the Newspaper and Printing Presses Act may submit an appeal to the President (Section 20). A District Court and a Magistrate's Court have jurisdiction to try any offence under this Act and have power to impose the full penalty or punishment in respect of the offence (Section 36).

In sum, media services sector in Singapore is closely monitored by the government owing to politics and national security reasons. Nevertheless, the two relevant laws, namely, Broadcasting Act and Newspaper and Printing Presses Act both leave some rooms for the Minister and the MDA to use discretion to grant permission for the foreigners to invest in media service sector. Thai investors interested in this sector with no aim related to neither politics nor national security, for example, broadcasting TV programme on Thai culture or cooking, are likely to get the approval.

- ***Telecommunications***

Singapore signed the Basic Telecommunications Agreement (BTA) in 1996 which is plurilateral agreement of WTO seeking to liberalise basic telecommunications services (including main services such as fixed line, mobile phone, and satellite-based communications). Singapore also gave commitments under the Telecommunications

Reference Paper which promotes free competition and good governance. Hence, telecommunications in Singapore is quite liberal, having no restriction to the foreign shareowner in neither services, be it fixed line, mobile phone, satellite-based communications, or other services. Nevertheless, establishing any telecommunications business in Singapore requires a permit from the Info-communications Development Authority (IDA), upon the approval of the Minister of Communications and Information (MCI) who empowers the IDA.

Telecommunications Act (Chapter 323) provides key regulations in accordance with the BTA and Telecommunications Reference Paper. This Act authorises the IDA to regulate telecommunications services including the issuing and revoking the telecommunication systems and services licences, granting spectrum right, and license satellalite orbital slots. All details are presented below.

### *Licensing*

Section 5 authorises the IDA to license telecommunication systems or services, and impose any conditions in the licence such as interconnection, standard of performance, code of practice, and the payment of licence fee, etc.

Moreover, Section 5A (9) (d) stipulates that the IDA may impose on a person who is granted any spectrum right, for the breach of any of the conditions under this Act, a financial penalty of an amount not exceeding 10% of the annual turnover of that part of the person's business in respect of which the person is granted the spectrum right, as ascertained from the person's latest audited accounts; or a \$1 million fine (25 million THB). Any person who fails to comply with IDA's order shall be liable to a fine not exceeding \$100,000 or imprisonment for a term not exceeding three years, or to both.

Section 8 (2) of Telecommunications Act empowers the IDA to cancel the licence or part thereof; suspend the licence or part thereof for such period as it thinks fit; or reduce the period for which the licence is to be in force if one of the following cases happens with reasonable evidence that:

- the person is again likely to contravene, whether by action or omission, any condition, provision, direction or section referred to in that subsection;

- the person has gone into liquidation other than for the purpose of amalgamation or reconstruction;
- the person is no longer in a position to comply with this Act or the terms or conditions of his licence; or
- the public interest so requires.

Furthermore, Section 10 grants the IDA power to provide telecommunication services in the place of the terminated licensee for the reasons mentioned above; or according to the Minister's direction in time of emergency, for public interest, army security, or international relations. Any licensee who does not follow the Minister's direction shall be liable on conviction to a fine not exceeding \$100,000 (2.5 million THB). In the case of continue offence, a fine not exceeding \$100,000 per day shall be imposed.

The Minister may pay compensation for any damage caused to a telecommunication licensee by reason of its compliance with the directions of the Minister (Section 58).

#### ***Spectrum right allocation***

The IDA, upon the consent or authority of the Minister, shall grant of any spectrum right with any conditions such as sharing of the spectrum right between the licensee and other services providers, or restriction for re-sale of granted right (Section 5A). Nothing is mentioned in this Act that the IDA must adopt an auction as method in allocating spectrum right. Practically, Singapore has employed auction due to its transparency and not subjected to discretion.

#### ***Regulation on telecommunication companies***

The provisions of services rates, protection of monopoly power, interconnection are mostly legislated in general telecommunications laws whereas this Act does not contain any of them. However, Section 26 gives authority to the IDA in determining "code of practice", "standard performance", or other codes of practice and standards of performance determined by other authorities such as telecommunications services provider associations or any telecommunications-related professional associations.



The Act does specify regulatory framework as a broad guideline for IDA's determination of code of practice and standard of performance as all or one of the followings:

- (i) the operation of telecommunications system and equipment;
- (ii) the provisions of telecommunications services;
- (iii) the conduct and activities of telecommunication licensees in providing services;
- (iv) the provision of services relating to the use of and the access to telecommunications system;
- (v) competition, abuse of a dominant position in the market and fair market conduct in the telecommunication industry in Singapore; or
- (vi) the acquisitions or consolidations involving a telecommunication licensee and any other person (whether a telecommunication licensee or otherwise).

In spite of the fact that the six items mentioned above are only a guideline which is not legally enforceable, any licensees who contravene whether by action or omission must be liable on conviction to a fine or cancellation of licence. The IDA reserves its right to grant an exemption for following the guideline to one or all licensee at specific period of time.

Overall, it can be seen that regulatory system on telecommunications in Singapore is outstandingly flexible since there are no framework, regulations and methods written in this Act or any laws in administrating the main telecommunication services such as interconnection, fair market competition, spectrum right auction, or services rates. Thus, everything is upon the IDA's consideration which is on approval of the Minister. Any entrepreneurs who need to understand in details of each guideline item should enter the key "codes of practice" on the IDA's website; for example, Code of Practice for Competition in the Provision of Telecommunications Services 2012 elaborated earlier in Section 26 (1). Such a document comprises 144 pages of contents which most of them are about promotion of competition and protection against the

abuse of dominant position in telecommunications market (i.e. interconnection, infrastructure sharing, monopoly and unfair practice, telecommunication merger and acquisition, or any collusion which leads barriers to entry/competition).

***Reconsideration by authority and appeal to Minister***

Any telecommunication licensee aggrieved by anything contained in any code of practice or standard of performance or in any direction of the IDA given under this Act can make a request to the IDA to reconsider the matter or appeal to the Minister within 14 days of the receipt of the decision or direction of the Authority or the issue or approval of the code of practice or standard of performance. The IDA and the Minister may determine an appeal under this section by confirming, varying or reversing any decision or direction of the Authority or by amending any code of practice or standard of performance (Section 69).

***Power of Minister to issue separation order***

The Minister may issue a separation order to any telecommunication licensee, who carries costly initial outlays which will be difficult to reach break-even income (especially for a natural monopoly such a fiber optic cable network), to leave the competition (Section 69C). In case of the dominant company, separating a bottom-necked business may enhance fairness in telecommunication competition as well as promote new entrants to an industry.

The separation order may direct the relevant telecommunication licensee to establish to a separate entity or transfer to an independant entity (meaning that business or property shall be transferred to the independant transferee). The Minister then sets the conditions to the transferee or independant entity to follow in order to prevent any cooperation leading each other's benefits. One of the conditions is price discrimination against transferee's consumers outside supply chain. By notification in the Gazette, the Minister must establish a scheme for determining the amount of any compensation payable to the relevant telecommunication licensee within 6 months after the making of the separation order.

Any person who contravenes the separation order shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$125,000 (around 3.125 million

THB) or to imprisonment for a term not exceeding 3 years or to both; in the case of an individual who continuously offend, to a further fine not exceeding \$12,500 for every day or part thereof during which the offence continues after conviction (Section 69C (17) (a)); and in the case of an entity; to a fine not exceeding 10% of the annual turnover of that part of its business in respect of which it is granted the licence, as ascertained from its latest audited accounts or to a fine of at least \$1 million (25 million THB); provided further for a continuing offence against the IDA's order, to a further fine not exceeding \$100,000 (2.5 million THB ) for every day or part thereof during which the offence continues after conviction (Section 69C (17) (b)).

- *Financial services*

Financial institutions in Singapore are operated under the authority of the Monetary Authority of Singapore (MAS) which is a monetary policy maker in Singapore. Singapore is the center of foreign currency trading and the significant fund management center in Asia where many financial institutions are located in.<sup>110</sup>

Financial business in Singapore has been significantly developed. Since the government promote more competition in this sector, all government banks must be adaptive and ready for the competition with continuing rises in foreign capital investment. In a total number of 120 commercial banks, six of them are local whereas 117 are foreign commercial banks. There are four branches of Singapore bank in Thailand whereas three branches of Thai commercial banks operated in Singapore which are Bangkok Bank (the only bank with a license to operate an all banking services or Full Bank), Krungthai Bank, and Siam Commercial Bank (the latter are allowed to operate only off-shore banking services).<sup>111</sup>

---

<sup>110</sup> Hawksford, "Banking Industry and Major Banks in Singapore," <http://www.guidemesingapore.com/doing-business/finances/singapore-banking-industry-overview> (Retrieved on September 20, 2015).

<sup>111</sup> Ibid.

Laws and regulations written to control operations of finance and banking institutions are Banking Act (Chapter 19), Monetary Authority of Singapore Act (Chapter 186), and Anti Money Laundering Regulation.

Establishing a commercial bank in Singapore is subjected to provisions under Banking Act (Chapter 19). The Act allows commercial banks to provide financial services including deposit, withdrawal, loan and cheque issuing, as well as other services such as consultation and insurance. All services are regulated by Monetary Authority of Singapore (MAS). A commercial bank may operate as a Full Bank (with comprehensive financial services under the Act), Wholesale Bank (provide comprehensive services like Full Bank, but cannot provide service to customers using Singapore Dollar), or Offshore Bank (operate similar to Full Bank and Wholesale Bank, but must carry out transaction in Asian Currency Units, while transaction in Singapore Dollar must be done through Domestic Banking Unit)

Although the financial services sector in Singapore was liberalized in 1999 by lifting the limitation on foreign ownership in domestic banks, the Minister of Finance still has the power under Banking Act to control the merger of banks (Section 14) and shareholding in financial institute (Section 15A to Section 15C). The Minister may use his discretion to decide whether the merger is in the national interest of Singapore, which was seen as not so friendly toward foreign investment.<sup>112</sup>

MAS realizes the significant of protecting the revelation of customer information to the third party for other interest, the significant amendment of the Banking Act (Chapter 19) in 2001 focuses on banking secrecy (Section 47). The amendment mandates the licensed bank to keep customer's personal and bank account information confidential, and disclosure of customer's information by bank or bank officer is illegal. Bank is defined as a bank that was established in Singapore, branch and office in Singapore which have headquarter outside Singapore – which also include Thai banks

---

<sup>112</sup> U.S. Department of State, "2014 Investment Climate Statement," <http://www.state.gov/documents/organization/227436.pdf> (Retrieved on September 20, 2015).

located in Singapore. In addition, Section 2 (1) of Banking Act defines bank officers as director, secretary, employee, and manager to be enforced under this section. The definition of customer information to the extent of Section 40A of Banking Act is any information relating to personal information, an account of a customer, and any account in respect of deposit, loan, investment or any other type of transaction. Hence, Thai banks wishing to open branches in Singapore shall be cautious about disclosing customer's information.

However, Section 47 of Banking Act provides the exemption (specifying purposes, conditions, and penalties in the Third Schedule) to any bank in Singapore or any of its officers to disclose customer information to such persons or class of persons on purposes.

- ***Legal Services Sector Relating to Singapore Laws***

The provision of legal services in Singapore is regulated under Legal Profession Act (Chapter 161), which was enacted in 1966 with an objective to establish the Singapore Institute of Legal Education (SILE) to maintain and improve the standards of legal education in Singapore, as well as to register advocates and solicitors.

The Legal Profession Act contains provisions about foreign investment in Part IXA, covering Section 130 Joint Law Ventures, Formal Law Alliance, Foreign Law Practices, Representative Offices, Foreign Lawyers, and Solicitor Practising in Joint Law Ventures or Foreign Law Practices). The provision indicates that any foreign natural or legal persons wishing to practice legal services in relation to Singapore law may do so in a form of either Joint Law Venture (JLV) or Formal Law Alliance (FLA), upon the approval of the Attorney-General.

The distinction between JLV and FLA is that, the JLV is a joint venture between foreign law company and Singaporean law company, either into one company under Singapore law or into a partnership. Foreign lawyers, directors, and partners of JLV are allowed to practice legal services in relation to Singapore law. Whereas, the FLA is a written contract between foreign law firm and Singapore law firm to collaborately provide legal services in Singapore. Foreign lawyers, directors, and partners of FLA are able to

prepare the documents concerning Singapore law; however, any legal opinion relating to Singapore law must be given by a practising Singapore lawyer.<sup>113</sup>

Foreign lawyers must pass the Foreign Practitioner Examinations prescribed by the SILE. After that, they can apply to the Attorney-General for the registration of legal practitioners in Singapore. The legal services allowed for foreigners to practice are mostly related to trade and investment such as laws and regulations on banking, merger and acquisition, and intellectual property rights.<sup>114</sup> Further, recognized law degrees from institutions outside Singapore are limited in number and mostly from those in the United Kingdom, Australia, New Zealand, and the United states.

In conclusion, foreigners have some limitations in providing legal services in Singapore as they must operate in collaboration with local companies, and may provide services related to trade and investment laws only. These regulations may be driven by a high demand for legal services in such sectors since Singapore is one of the world's key economic centers. The need to attract legal experts who satisfy global standards from developed nations such as the UK and the US to strengthen the economy through a joint venture with local company is also evident

### **2.2.2. Special treatments offered by Singapore to ASEAN Investors**

Singapore is very liberal towards foreign investment and business. ASEAN nationals are granted some special treatments when investing in Singapore. The details are shown in 2.1.3 (B) The 8th Package of Commitments under ASEAN Framework Agreement on Services (AFAS).

---

<sup>113</sup> Charles Lim Aeng Cheng, "Legal Systems in ASEAN- Singapore: Chapter 6 The Legal Profession," [http://www.aseanlawassociation.org/papers/sing\\_chp6.pdf](http://www.aseanlawassociation.org/papers/sing_chp6.pdf) (Retrieved on September 11, 2014).

<sup>114</sup> Singapore Institute of Legal Education, "Foreign Practitioner Examinations," <http://www.sile.edu.sg/foreign-practitioner-examinations> (Retrieved on September 9, 2014).

## 2.3 Immigrant (Immigration and Residency)

Being one of the world's key trading hubs results in the large number of visitors entering and leaving Singapore. Moreover, the scarcity of human resource and low birth rate promote employment of foreign workers as an engine to drive the economy. Laws and regulations relating to foreigners entering, staying, and working in Singapore are Immigration Act (Chapter 133), and Employment of Foreign Manpower Act (Chapter 91A).

This topic is presented in two points: entering and staying in Singapore, and foreign employment.

### 2.3.1 Entering and staying in Singapore

Laws and regulations relating to the entering and staying of foreigners in Singapore such as borders crossing by land and air, as well as requirements on non-citizens to hold visa when entering or leaving Singapore are Immigration Act (Chapter 133). The relevant authority is Immigration and Checkpoints Authority (ICA), which may be compared to the Thai Immigration Bureau. ICA is an agency under Ministry of Home Affairs.

Currently, the holders of valid Thai passports may enter Singapore without visa and stay in Singapore for a total of 30 days. The ICA officers, however, have power to refuse any passport holders, except Singaporean passport, from entering Singapore.

The presentation is divided into four topics namely control of entry into and departure from Singapore, permission to entry, cancellation of entry permit, and unlawful entry into Singapore.

#### A) Control of entry into and departure from Singapore

The control of entry into and departure from Singapore is regulated under Section 6 of Immigration Act (Chapter 133) which prohibits any non-Singaporeans from entering or attempting to enter Singapore without a permit such as a valid visa or an exemption given by the Minister of Home Affairs as declared in the Gazette. Any persons entering into Singapore without a permit shall be liable to be punished with caning with not less than 3 strokes, or a fine not exceeding \$6,000.

In addition, the ICA officer may ask any person who is not a Singaporean citizen or granted exemption from the Ministry to complete an embarkation form and submit it for examination by that officer at the time he leaves Singapore. Any persons violating this provision shall be liable on conviction to a fine not exceeding \$2,000 or to imprisonment for a term not exceeding 6 months or to both.

#### **B) Permission to entry**

Any persons wishing to enter into Singapore must have an entry permit or visa, which can be apply at ICA website<sup>115</sup> within 30 days before the date of arrival in Singapore. Holders of passports exempted by the Minister of Home Affairs under Section 9B of Immigration Act (Chapter 133), including Thai passport, do not need to apply for a visa to enter Singapore and can stay in Singapore for up to 30 days per entry. It should be noted that the visa does not include any other rights besides the right to entry. The right to study and the right to employment in Singapore are authorized under different permits (See 2.3.2 for employment permit).

An individual who is considered to be prohibited immigrant as prescribed under Section 8 (3) of Immigration Act (Chapter 133), presented below, will be immediately denied the right to enter into Singapore.

- (1) any person who is unable to show that he has the means of supporting himself and his dependants (if any) or that he has definite employment awaiting him, or who is likely to become a pauper or a charge on the public;
- (2) any person suffering from a contagious or infectious disease which makes his presence in Singapore dangerous to the community, such as AIDS/HIV;
- (3) any person desiring to enter Singapore who refuses to submit to an examination after being required to do so

---

<sup>115</sup> Immigration and Checkpoints Authority (ICA), "Submission of Application for Visa Electronically (SAVE)," <https://save.ica.gov.sg/save-public/> (Retrieved on April 10, 2015).



- (4) any person who has been convicted in any country or state of an offence for which a sentence of imprisonment has been passed for any term or by reason deemed by the Controller to be an undesirable immigrant;
- (5) any prostitute or any person who is living on or receiving or who, prior to entering Singapore, lived on or received the proceeds of prostitution;
- (6) any person who procures or attempts to bring into Singapore prostitutes or women or girls for the purpose of prostitution or other immoral purpose;
- (7) vagrants or habitual beggars;
- (8) any person whose entry into Singapore is, or at the time of his entry was, unlawful under this Act or any other written law for the time being in force;
- (9) any person who believes in or advocates the overthrow by force or violence of the Government or of any established government or of constituted law or authority or who disbelieves in or is opposed to established government, or who advocates the assassination of public officials, or who advocates or teaches the unlawful destruction of property;
- (10) any person who is a member of or affiliated with any organisation entertaining or teaching disbelief in or opposition to established government or advocating or teaching the duty, necessity or propriety of the unlawful assaulting or killing of any officer or officers, either of specific individuals or officers generally, of the Government or of any established government, because of his or their official character, or advocating or teaching the unlawful destruction of property;
- (11) any person who, in consequence of information received from any source or from any government through official or diplomatic channels, is considered by the Minister to be an undesirable immigrant;
- (12) any person who has been removed from any country or state by the government of that country or state on repatriation for any reason whatever and who, by reason of the circumstances connected therewith, is considered by the Controller to be an undesirable immigrant;
- (13) any person who, being required by any written law for the time being in force to be in possession of valid travel documents, is not in possession of

those documents or is in possession of forged or altered travel documents or travel documents which do not fully comply with that written law;

- (14) the family and dependants of a prohibited immigrant; and
- (15) any person prohibited by an order of Minister made under Section 9 from entering Singapore.

The burden of proof that any person seeking to enter Singapore is not a prohibited immigrant shall lie upon that person. Especially for the person who is not an employee such as an entrepreneur or investor in securities market need to prepare evidences that he/she has adequate fund during the period of residing in Singapore. These evidences may be booking confirmation for accommodation in Singapore, or the return flight ticket

Any person who possesses entry permit according to Immigration Act (Chapter 133) but is denied the right to enter Singapore on the ground of being prohibited immigrant may appeal to the Minister of Home Affairs. The decision of Minister shall be final.<sup>116</sup>

Furthermore, apart from issuing entry permit, the ICA may use the power under Section 10 (3) of Immigration Act (Chapter 133) to vary or revoke any condition to which the entry permit is subject or impose any condition on the permit.<sup>117</sup> Before varying, revoking or imposing any condition on an entry permit, the ICA officer shall notify the holder of the entry permit of his intention to do so, and shall give the holder an opportunity to clarify.

Any person who is aggrieved by the decision of the ICA officer may, within 30 days of being notified by the ICA, appeal by petition in writing to the Minister whose decision shall be final.

---

<sup>116</sup> Section 8 (6)

<sup>117</sup> Section 10 (3)

### **C) Cancellation of entry permit**

The ICA may cancel the entry permit of non-Singaporean under Section 14 of Immigration Act (Chapter 133) in the following cases.

(1) Where the holder of any permit seeks to enter Singapore accompanied by any child<sup>118</sup> whose name is not endorsed upon that permit by the ICA. Under Section 12 of Immigration Act, the ICA officer may endorse name or names of the wife or child of the permit holder.<sup>119</sup>

(2) Where, upon the arrival in Singapore of any person to whom a permit or certificate has been issued, the ICA believes that the permit or certificate was issued as a result of any false representation or concealment of a material fact.

(3) Where at any time during the period of validity of any permit or certificate, the ICA is satisfied that the holder of the permit or certificate is a prohibited immigrant.

(4) Where any person has entered or remains in Singapore by virtue of a permit or certificate, and the ICA believes that any material statement made in or in connection with the application for the permit or certificate was false or misleading, or the person is a prohibited immigrant, or the holder of the permit or certificate has contravened any condition stated in the permit or certificate.

On making any cancellation of entry permit, the ICA shall notify the person at the given address or publish a notification in such manner as the ICA thinks fit. The person may appeal against the cancellation to the Minister whose decision shall be final.

### **D) Unlawful entry into Singapore**

The following cases can be considered as unlawful entry into Singapore.

---

<sup>118</sup> a person who is below the age of 14 years, as defined in Children and Young Persons Act (Chapter 38), the law prohibiting trafficking in children, which is probably the rationale for this provision.

<sup>119</sup> Section 12 Subject to such conditions as may be prescribed, it shall be lawful for the Controller, on application made in that behalf in the prescribed form by the holder of, or by an applicant for, a permit, pass or certificate, to endorse upon the permit, pass or certificate issued to that person the name or names of the wife or child of that person.

(1) Section 15 (1) of Immigration Act (Chapter 133), a person whose entry permit is cancelled under Section 14 above.

(2) Section 62 (1) of Immigration Act (Chapter 133) Any person in Singapore whose presence is unlawful under the provisions of any previous written law for the time being in force in Singapore.

Any person remains unlawfully in Singapore for a period not exceeding 90 days shall be liable on conviction to a fine not exceeding \$4,000 or to imprisonment for a term not exceeding 6 months or to both. If the period of unlawful stay exceeds 90 days, the person shall on conviction be punished with imprisonment for a term not exceeding 6 months and caning with not less than 3 strokes, or a fine not exceeding \$6,000.

### **2.3.2 Foreign employment**

#### **2.3.2.1 Law relating to foreign employment**

Law relating to foreign employment in Singapore is Employment of Foreign Manpower Act (Chapter 91A), which regulate the employment of non-Singaporeans. The power to issue work permit belongs to the Ministry of Manpower (MOM) which enforces Employment of Foreign Manpower Act (Chapter 91A) and is empowered to issue any regulations in relation to foreign workers in Singapore. Section 5 of this Act prohibits the employment of foreign workers without valid work pass, and stipulates other employment conditions such as the type of work, workplace, and hour of work.

Employers who violate the law by employing foreign workers with no valid work pass shall be liable on conviction to a fine of not less than \$5,000 and not more than \$30,000 or to imprisonment for a term not exceeding 12 months or to both. On a second or subsequent conviction, in the case of an individual, he/she shall be punished with a fine of not less than \$10,000 and not more than \$30,000 and with imprisonment for a term of not less than one month and not more than 12 months; in any other case, be punished with a fine of not less than \$20,000 and not more than \$60,000.

Foreign employees working in Singapore without valid work pass shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 or to imprisonment for a term not exceeding 2 years or to both. In the case where the

employment is against the conditions specified in the work pass, the employer shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000.

### **2.3.2.2 Work passes and permits**

The presentation of this part is divided into three topics according to the type of foreign worker: High skilled workers and professionals, Skilled and semi-skilled workers, and Temporary workers.

#### **A) High-skilled workers and professionals**

Foreigners wishing to work in Singapore as manager, executive, professional, or entrepreneur can apply for the following three work passes.

(1) Employment Pass (EP) is issued to foreigners going to work in positions with a fixed monthly salary of at least \$3,300. The applicant must be able to produce the educational or professional certificate suitable for the position to work in Singapore. The employer or appointed employment agency is responsible for the whole process of EP application. In addition, from 1 August 2014 onwards, the employers who wish to hire an EP must advertise the job position which is accessible by the Singapore citizens at least 14 days prior to the date they submit application to hire foreign workers.

(2) Personalised Employment Pass (PEP) is for foreign professionals whose, at the date of application, previous six months salary at least \$18,000, or the EP holder who earns at least \$12,000. Exceptions are:

- freelancer;
- sole proprietor, partner, director, or shareholder in companies registered with Accounting and Corporate Regulatory Authority (ACRA); and
- journalist, editor, sub-editor, or producer

The advantage of PEP is the freedom in the choice of work, while EP must work only in the job and workplace he/she had applied for (although PEP holders must acquire additional licence if working in some professions). Holders of PEP are not required to apply for a new work pass when changing jobs, but shall notify the MOM

when they do so. PEP holders can stay unemployed in Singapore for a period of up to six months, until they can secure new employment.

It should be noted that PEP holder cannot be unemployed for more than six months continuously, and must earn at least \$144,000 per year in order to avoid having their PEP revoked.

(3) EntrePass is for foreigners who wish to establish businesses in Singapore. The applicant must start (or intend to start) to register a private limited company with ACRA. If already registered, the company must be less than 6 months old on the date of EntrePass application. Otherwise, the applicant of EntrePass shall wait for the outcome of application before registering with ACRA.

The company of EntrePass applicant also needs to meet at least one of the following requirements:

- receives funding or investment from sources accredited by a Singapore Government agency such as Infocomm Investment or National Research Foundation – Early Stage Venture Funding. The funding must be at least \$100,000;
- holds an intellectual property;
- has research collaboration with a university in Singapore or Agency for Science, Technology and Research (A\*STAR); or
- is an incubate at the government supported incubator such as National Research Foundation or Incubation Scheme Media Development Authority.

Businesses that are not eligible to apply for EntrePass are:

- coffee shops, hawker centres, food courts.
- bars, night clubs, karaoke lounges.
- foot reflexology, massage parlours.
- acupuncture, traditional Chinese medicine, herbal dispensing businesses.
- employment agencies.

- geomancy business.

Information about each work passes are complied and compared in Table 2.4.

**Table 2.4 Employment permits for high-skilled workers and professionals**

	EP	PEP	EntrePass
<b>Documents required</b> (documents in language other than English must be translated into English language, and be certified the correctness of translation)	1. A copy of personal particulars page of the candidate's passport. 2. Company's latest business profile or instant information registered with ACRA. 3. Candidate's educational certificates. <u>Additional documents may be required in the following cases</u> - For representative office of overseas companies: a copy of the approval letter from International Enterprise Singapore for setting up the representative office in Singapore; and a letter from the representative's office headquarters stating the purpose of application, the duration of candidate's assignment, and a guarantee for the maintenance and repatriation of the	1. A copy of the personal particulars page of candidate's passport. 2. For first-time applicants, following documents are required: - educational certificates. - Employment contracts of new or previous employment (if any). - Employment history - Latest 3 months of your salary slips and bank account statements. - Latest tax statement. The above documents must be translated into English and certified.	1. A copy of the personal particulars page of candidate's passport. 2. Employment history 3. A business plan (not more than 10 pages) with the following: - Business idea - Product or service offered - Market analysis - Market plan - Operation plan - Financial projections - Management team - Supporting documents e.g. product certifications. 4. For businesses registered with ACRA, the company's latest business profile or instant information, and bank statement of at least \$50,000 from a Singapore-based company bank account.

	EP	PEP	EntrePass
	<p>candidate.</p> <p>- For professionals: supporting document from relevant professional bodies, e.g. SMC in the case of medical practitioners.</p> <p>- For employees in food establishments: a copy of the licence issued by National Environment Agency.</p>		
<b>Who can apply</b>	Employer or appointed employment agent	Candidate or appointed employment agent	Candidate
<b>Fee</b>	\$70, and another \$150 when the pass is issued.	\$70, and another \$150 when the pass is issued.	\$70, and another \$150 when the pass is issued.
<b>Validity and renewal</b>	2 years and renewable up to 3 years.	Up to 3 years, non- renewable	Up to 1 year and renewable, subjected to the progress of business plan.
<b>Processing time</b>	<p>- 7 days for online application (EP Online).</p> <p>- 5 weeks by post (SingPost)</p>	<p>Around 5 weeks. The completed application and supporting documents can be submitted over the counter at any SingPost branch. If approved, the candidate will receive an in-principle approval letter (IPA) by post. Afterwards, the candidate must enter</p>	<p>Around 6 weeks. The completed application and supporting documents can be submitted over the counter at any SingPost branch. If approved, the candidate will receive an in-principle approval letter (IPA) by post. Afterwards, the candidate must enter</p>



	EP	PEP	EntrePass
		Singapore within 6 months to personally get the pass issued, which can be done through EP Online or over the counter at Employment Pass Service Centre.	Singapore within 6 months to personally get the pass issued, which can be done through EP Online or over the counter at Employment Pass Service Centre.
<b>Appeal</b>	Within 3 months of rejection. Employer or appointed employment agent can submit an appeal online. The appeal process takes at least 3 weeks.	Submitted to MOM within 3 months of rejection.	Submitted to MOM at any time together with additional supporting documents such as revised business plan or contracts.
<b>Family and dependants*</b>	<p><u>For EP holders who earn at least \$5,000 per month only</u></p> <p>Dependant's Pass :</p> <ul style="list-style-type: none"> <li>- Legally married spouses</li> <li>- Children under 21 yrs old</li> </ul> <p>Long Term Visit Pass (LTVP):</p> <ul style="list-style-type: none"> <li>- Common-law spouses</li> <li>- Unmarried handicapped children above 21 yrs old</li> <li>- Unmarried stepchildren</li> </ul>	<p>Dependant's Pass :</p> <ul style="list-style-type: none"> <li>- Legally married spouses</li> <li>- Children under 21 yrs old</li> </ul> <p>Long Term Visit Pass (LTVP):</p> <ul style="list-style-type: none"> <li>- Common-law spouses</li> <li>- Unmarried handicapped children above 21 yrs old</li> <li>- Unmarried stepchildren under 21 years old</li> <li>- Parents</li> </ul>	<p><u>For those who have renewed EntrePass only.</u></p> <p>The criterion are amount of total business spending and number of local jobs as follows:</p> <ul style="list-style-type: none"> <li>- For spouse or children: min. \$150,000 of total business spending and min. local 4 jobs.</li> <li>- For parents: min. \$300,000 of total business spending and min. local 8 jobs.</li> </ul> <p>Dependant's Pass :</p> <ul style="list-style-type: none"> <li>- Legally married spouses</li> <li>- unmarried children,</li> </ul>

	EP	PEP	EntrePass
	<p>under 21 years old</p> <p>- Parents (only for EP holders who earn at least \$10,000)</p>		<p>including those legally adopted, under 21 yrs old</p> <p>Long Term Visit Pass (LTVP):</p> <p>- Common-law spouses</p> <p>- Unmarried handicapped children above 21 yrs old</p> <p>- Unmarried stepchildren under 21 years old</p> <p>- Parents</p>
Websites for additional information	<a href="http://www.mom.gov.sg/passes-and-permits/employment-pass">http://www.mom.gov.sg/passes-and-permits/employment-pass</a> (for EP Online: <a href="http://www.mom.gov.sg/services-forms/Pages/ep-online.aspx">http://www.mom.gov.sg/services-forms/Pages/ep-online.aspx</a> )	<a href="http://www.mom.gov.sg/passes-and-permits/personalised-employment-pass">http://www.mom.gov.sg/passes-and-permits/personalised-employment-pass</a>	<a href="http://www.mom.gov.sg/passes-and-permits/entrepass">http://www.mom.gov.sg/passes-and-permits/entrepass</a>

Source: Compiled by research team.

\* Dependant's Pass holders are eligible to work under the Dependant's Pass, if the employers receive Letter of Consent from MOM. Family and dependants of EP holders who have LTVP can stay in Singapore, but need to apply for separate work pass.

For Dependant's Pass holders and legally married spouses of Singaporeans or permanent residents of Singapore (PRs) who hold LTVP that are valid more than 3 months and wish to work in Singapore must be offered job positions and have their employers or appointed employment agents applied for Letter of Consent from MOM, which is free of charge. Online application takes 7 working days while application by post takes 5 weeks. The Letter of Consent must be submitted together with Dependant's

Pass or LTVP, and will expire immediately when the Dependant's Pass or LTVP is expired or the employment was terminated by the employer.<sup>120</sup>

## **B) Skilled and semi-skilled workers**

This section presents two types of work passes: S Pass for skilled workers such as technician and mechanic; and Work Permit for semi-skilled workers in construction, marinetime, and services sectors. Both types of work passes require the employers or appointed employment agents to submit the application. Similar to EP, S Pass and Work Permit holders cannot work in areas outside where they had applied for. If there is a change of workplace or employer, the new employer must apply for a new pass. Both types of passes are valid for 2 years and may be renewable when employers or appointed employment agents submit the application.

(1) S Pass allows mid-level skilled foreigners who earn a fixed monthly salary of at least \$ 2,200 to work in Singapore. Employers must purchase and maintain medical insurance with coverage at least \$15,000 per year for each employee holding S Pass.<sup>121</sup> The S Pass holders who earn a fixed monthly salary at least \$5,000 can apply for a Dependant's Pass for legally married spouse and unmarried children under 21 years of age (including legally adopted children). If the spouse or children are not eligible for a Dependant's Pass, the S Pass holder may bring their dependants to stay in Singapore under Long Term Visit Pass. The employment of S Pass is subjected to quota and Foreign Worker Levy which are prescribed by MOM. The employers are responsible to pay the levy (See Table 2.5).

---

<sup>120</sup> Ministry of Manpower, "Eligibility for Letter of Consent," <http://beta.mom.gov.sg/en/passes-and-permits/letter-of-consent/eligibility> (Retrieved on April 9, 2015).

<sup>121</sup> Ministry of Manpower, "S Pass – Before you apply," <http://www.mom.gov.sg/foreign-manpower/passes-visas/s-pass/before-you-apply/Pages/default.aspx> (Retrieved on September 10, 2014).

Table 2.5 S Pass quota and levy requirements

Sector	Tier <sup>122</sup>	Quota (%)	Levy rate (\$)	
			Monthly	Daily
Service	Tier 1	Up to 10% of the total workforce	315	10.36
	Tier 2	Above 10% to 15% of the total workforce	550	18.09
Others	Tier 1	Up to 10% of the total workforce	315	10.36
	Tier 2	Above 10% to 20% of the total workforce	550	18.09

Source: Ministry of Manpower (MOM), "S Pass quota and levy requirements," <http://beta.mom.gov.sg/en/passes-and-permits/s-pass/quota-and-levy/levy-and-quota-requirements> (Retrieved on April 9, 2015).

(2) Work Permit (WP) is issued to semi-skilled workers. The holders of WP must be between 18 - 50 years old. The employer is responsible for \$5,000 security bond, medical insurance with coverage at least \$15,000 per year for each employee, and provide housing in acceptable conditions for WP holders. The employment of WP is subjected to quota and Foreign Worker Levy which are prescribed by MOM. The employers are responsible to pay the levy (See Table 2.6).

Table 2.6 Work Permit quota and levy requirements

Sectors	Quota	Skill level	Levy rate (\$)	
			Monthly	Daily*
Manufacturing	Up to 25% of the total workforce	Skilled	250	8.22
		Unskilled	370	12.17
	Above 25% to 50% of the total workforce	Skilled	350	11.51
		Unskilled	470	15.46
	Above 50% to 60% of the total workforce	Skilled	550	18.09
		Unskilled	650	21.37
Service	Up to 10% of the total workforce	Skilled	300	9.87
		Unskilled	420	13.81
	Above 10% to 25% of the total workforce	Skilled	400	13.16
		Unskilled	550	18.09
	Above 25% to 40% of the total workforce	Skilled	600	19.73
		Unskilled	700	23.02

<sup>122</sup> Method of categorising business with high level of foreign employment. The higher the Tier, the higher number of foreign workers and thus higher levy for employer.

Sectors	Quota	Skill level	Levy rate (\$)	
			Monthly	Daily*
Construction	7 Work Permit holders for every full-time local employee	Higher skilled in MYE**	300	9.87
		Basic skilled in MYE	550	18.09
		Higher skilled in MYE waiver	600	19.73
		Basic skilled in MYE waiver	950	31.24
Process	7 Work Permit holders for every full-time local employee	Skilled in MYE	300	9.87
		Unskilled in MYE	450	14.80
		Skilled in MYE waiver	600	19.73
		Unskilled in MYE waiver	750	24.66
Marine	4.5 Work Permit holders for every full-time local employee	Skilled	300	9.87
		Unskilled	400	13.16

Source Ministry of Manpower, "Work Permit (Foreign Worker)- Levy Payments," <http://www.mom.gov.sg/foreign-manpower/passes-visas/work-permit-fw/levy-payments/Pages/levy-payments.aspx> (Retrieved on September 10, 2014).

\* Daily levy rate only applies to Work Permit holders who did not work for a full calendar month.

\*\* Man-Year Entitlement is a program for entrepreneurs in construction sector and process sector who wish to bring foreign workers from Non-Traditional Sources (NTS), including Thailand. For more information, visit Ministry of Manpower, "Work Permit- before you apply: Man – Year Entitlement," <http://www.mom.gov.sg/foreign-manpower/passes-visas/work-permit-fw/before-you-apply/construction/Pages/man-year-entitlements.aspx> (Retrieved January 9, 2015).

The application process has three steps: submitting the application, checking the status of application, and receiving the pass (as seen in Table 2.7).

Table 2.7 Application process for S Pass and WP

	Type of Pass	
	S Pass	Work Permit
1. Submitting the application	Submit the completed application and supporting documents electronically at <a href="http://www.mom.gov.sg">www.mom.gov.sg</a> . <sup>123</sup> Supporting documents shall be according to the job applied for.	
Pass fee	\$60 when submitting, and another \$80 when the pass is issued.	\$30 when submitting, and another \$30 when the pass is issued.
2. Checking the status of application	If approved, the candidate can print out the in-principle approval letter (IPA) from the website or receive the IPA by post. The waiting time varies as follows.	
	7 working days	1 working days
Validity of IPA	60 days	As stated in IPA
3. Receiving the pass		

Source: Ministry of Manpower, "Passes and Visas," <http://www.mom.gov.sg/foreign-manpower/passes-visas> (Retrieved on January 8, 2015).

Any change of employee's information after the pass is issued, the employer or employee must notify MOM immediately. The pass may be cancelled in the following cases: (1) termination of employment, the employer can cancel the work pass online within 7 days after the termination, and (2) disappearance of employee, the employer must report the police and bring the notice of police report as evidence to cancel the pass. The employer must cancel the pass in every case except where the employee became a Permanent Resident of Singapore. In such case, the work pass will be canceled automatically.

<sup>123</sup> Application form for Employment Pass and S Pass can be downloaded at [http://www.mom.gov.sg/Documents/services-forms/passes/EP\\_SPass\\_Form8.pdf](http://www.mom.gov.sg/Documents/services-forms/passes/EP_SPass_Form8.pdf). For Work Permit, [http://www.mom.gov.sg/Documents/services-forms/passes/FW\\_WP\\_Appln\\_Form.pdf](http://www.mom.gov.sg/Documents/services-forms/passes/FW_WP_Appln_Form.pdf) (Retrieved on January 8, 2015)

Conditions for renewing the pass are as follows:

- For S Pass holders: the employer or appointed employment agency may apply to renew the pass for employee only if the quota is not full, and the validity of employee's passport is at least 7 months. Those who already have EP Online accounts may do so online within 6 months before the pass expiry date (the process takes 7 working days). If not, the renewal application form will be sent by post, and shall be completed within 3 months. The completed application form must reach the MOM two weeks before the pass is expired (the process takes 5 weeks).
- For WP holders: the employer or appointed employment agency may apply to renew the pass for employee online within 6-8 weeks before the pass is expired. The name of employees who are eligible to have their passes renewed on the website.<sup>124</sup>

### C) Temporary worker

Temporary worker means foreign workers who wish to work in Singapore for a short period of time. There are two types of passess: Miscellaneous Work Pass and Training Employment Pass.<sup>125</sup>

(1) Miscellaneous Work Pass (MWP) is for those who wish to work in Singapore for no more than 60 days such as speaker at a seminar, religious worker, or reporter. The candidate must be sponsored by Singapore-based organization or society.

Eligibility of candidate:

- A foreigner directly involved in organising or conducting any seminar, conference, workshop or gathering that relates directly or

---

<sup>124</sup> Ministry of Manpower, "Work Permit Online for Business and Employment Agency Users," <http://www.mom.gov.sg/services-forms/Pages/wp-online-beau.aspx> (Retrieved April 9, 2015).

<sup>125</sup> Another type of pass for temporary worker is Work Holiday Program; however, Thai nationals are not eligible to apply for this pass.

indirectly to any religious belief, any race or community, or politics, including involvement as a speaker, moderator, facilitator or trainer.

- A foreign religious worker giving talks directly or indirectly related to any religion.
- A foreign journalist, reporter, or accompanying crew member not supported or sponsored by any Singapore Government agency to cover an event or write a story in Singapore.

The Singapore-based organization or society must submit the application for the candidate through any SingPost branch. The application fee is \$70 each and the process takes approximately 2 months.

Required documents:

- Personal particulars page of the candidate's passport;
- A synopsis of the talk or event; and
- Company's latest business profile e.g. registration papers with the ACRA.<sup>126</sup>

(2) Training Employment Pass (TEP) is for students or trainees of foreign companies who wish to attend a training program in Singapore for less than 3 months. The eligibility is as follows.

- For student:
  - the training attachment in Singapore must be part of your course of study.
  - must be studying at an acceptable educational institutes<sup>127</sup> or earn a fixed monthly salary of at least \$3,000.

---

<sup>126</sup> Ministry of Manpower, "Apply for a Miscellaneous Work Pass," <http://beta.mom.gov.sg/en/passes-and-permits/miscellaneous-work-pass/apply-for-a-pass> (Retrieved on April 9, 2015).

<sup>127</sup> There are two in Thailand namely Chulalongkorn University, and Thammasat University. For more information please visit Ministry of Manpower, "Training Employment Pass - List of acceptable institutions," <http://www.mom.gov.sg/passes-and-permits/training-employment-pass/list-of-acceptable->



- must be sponsored by a Singapore-registered company.
- For trainee:
  - must earn a fixed monthly salary of at least \$3,000.
  - must be sponsored by a Singapore-registered company.

For those who previously had TEP, a new application for TEP cannot be for training in the same program.

The employer must apply for the TEP on behalf of the student or trainee. The fee is \$70 each when submitting the application and another \$150 if the pass is issued. Submitting through EP Online takes 7 working days, and 5 weeks by post.

Required documents:

- Personal particulars page of the candidate's passport;
- A detailed training programme stating the objective, type of training, location, duration of training; and
- Candidate's educational documents. If the candidate has not yet completed the course, submit a letter from the educational institution stating that they are currently pursuing the course in the school. If the training is a part of degree or diploma programme, a support letter from the educational institution stating that the training is part of the programme is also needed.

To conclude, laws and regulations related to immigration and foreign employment in Singapore are flexible and open for foreigners. For example, Singapore provides visa exemption for foreigners holding the passports of several countries including Thailand. Moreover, workers of all levels of skill are allowed to work in Singapore. In many cases, it is the responsibility of employer to apply for work pass or contact the authorities in order to facilitate foreign workers to work in Singapore.

---

institutions#/?page=1&q=&facet=region&region=South%2Band%2BSouth-East%2BAsia (Retrieved on January 9, 2016).

## 2.4 Business Laws

Laws and regulations related to constituting and operating business in Singapore are mostly included in Companies Act (Chapter 50) which has been mentioned in the previous part. This part presents business laws in three points – trade law, taxation law, and financial and banking laws.

### 2.4.1 Trade laws

This part explains procedure of business registration in Singapore. The registration of a business firm in Singapore can be done in several ways contingent on distinct laws. As a result, registration procedure for different types of business varies. However, the core registration process remains similar, which can be summarized as follows.

#### *Forms of business organisation*

Any person wishing to establish business in Singapore may choose the following forms of business organization (see Table 2.8).

1. Sole proprietorship in a business firm owned by one person or a group of persons without partner. The owner of sole proprietorship not only holds entire power in operating a business but also wholly bears liability of the business. The registration of sole proprietorship is under Business Registration Act (Chapter 32);

2. Partnership or ordinary partnership is a firm regulated under Partnership Act (Chapter 391) and can be constituted by 2 to 20 partners. The registration of a partnership is under Business Registration Act (Chapter 32);

3. Limited Partnership is regulated under Limited Partnership Act (Chapter 163B). A limited partnership must comprise of at least one General Partner and one Limited Partner. The registration of a limited partnership is under Business Registration Act (Chapter 32);

4. Limited Liability Partnership is regulated under Limited Liability Partnership Act (Chapter 163A) and has legal personality separate from that of its partners. Limited liability partnership is capable of suing and being sued, acquiring, owning, developing or disposing of property as the agent of the limited liability partnership. Partners are not

liable to the debt arising from partnership, or unlawful action or omission done by other partners. However, the partners are still liable for the debts or unlawful action or omission done by each own action. Registration of limited liability partnership is under Business Registration Act (Chapter 32);

5. Company is regulated under Companies Act (Chapter 50) which has legal personality separate from that of its partners. The company must have at least one member holding at least one of total shares, which may be worth \$1. Additionally, the Act requires a company to have at least one director who has qualifications as prescribed by the law. The director can also be one of its shareholders. The legal entity of a company can be categorized into three types as follows:

- Private Company Limited by Shares consisting of up to 50 shareholders;
- Public Company Limited by Shares consisting of more than 50 shareholders, provided that the company can publicly raise fund by issuing common stocks or debentures;
- Public Company Limited by Guarantee is a non-profit company operating for public interest such as charity and art exhibition.

A sole proprietorship, partnership and limited partnership are not a legal entity which cannot sue or acquire property and the owner of a sole proprietorship, partner in a partnership and general partner in a limited partnership have to be responsible for unlimited liability. Foreigner is unable to register a business as a sole proprietorship or partnership.

**Table 2.8 Forms of business operation**

Characteristics	Sole proprietorship	Partnership	Limited Partnership	Limited Liability Partnership	Company
Shareholders	Sole owner or group of persons	2 – 20 partners	at least 1 Ordinary Partner and 1 Limited Partner	At least 2 partners	- Company limited: up to 50. - Public company limited: >50.

Characteristics	Sole proprietorship	Partnership	Limited Partnership	Limited Liability Partnership	Company
Who can establish	Singapore citizen, PR, holders of work pass or foreigner who has local manager to run the business.	Singapore citizen, PR, holders of work pass or foreigner who has local manager to run the business.	Local or foreign person or company (in case where the general partner is outside Singapore, a local manager is required).	Local or foreign person or company(a local manager is required to run the business)	Local or foreign person or company (a local director is required to run the business)
Legal status	Not legal person	Not legal person	Not legal person	legal person	legal person
Property ownership	The owner is allowed	Not allowed in the firm's name	Not allowed in the firm's name	Allowed in the firm's name	Allowed in the firm's name
Taxes	Personal Income tax	Personal Income tax	Personal Income tax	Personal Income tax	Corporate Income tax
Conditions for registration	Register in the first year and renew annually	Register in the first year and renew annually	Register in the first year and renew annually	Register in the first year	Register in the first year
Termination of contract	Upon the owner's wish, or failure to renew the registration	Upon the owner's wish, or failure to renew the registration	By general partners' debts, or failure to renew the registration	Upon the partners' wish or debt	Upon the partners' wish or debt

Source: Compiled by the research team.

### ***Business Registration***

Business Registration Act (Chapter 32) lays out registration process of business organisation in Singapore. Any form of business organization in Singapore must be registered under Business Registration Act (Chapter 32), bar some professions such as hawkers, craftman, taxi driver, taxi boat driver, farmer, as well as professionals such as architect, medical practitioner, solicitor, and accountant. However, if a professional plans to establish a business such as law firm or accounting firm, he/she must register the business with the ACRA. Some organisations such as statutory board and society also get exemption from registration with ACRA.

Registration of foreign business can be done in three ways.

1. Private Limited Company: such as Private Company Limited by Shares or Public Company Limited by Shares

2. Foreign Branch Office: a foreign company having headquarter overseas may have a branch in Singapore, provided that its representative has a permanent residenceship in Singapore.

3. Representative Office: a foreign company may have a representative office in Singapore which carries out market and investment survey, public relation, and coordination tasks on behalf of the mother company. A representative office cannot directly run the business. Establishing a representative office must be approved by International Enterprise Singapore (IE Singapore). In the case of a representative office of financial and insurance company, an approval from Monetary Authority of Singapore (MAS) is required.

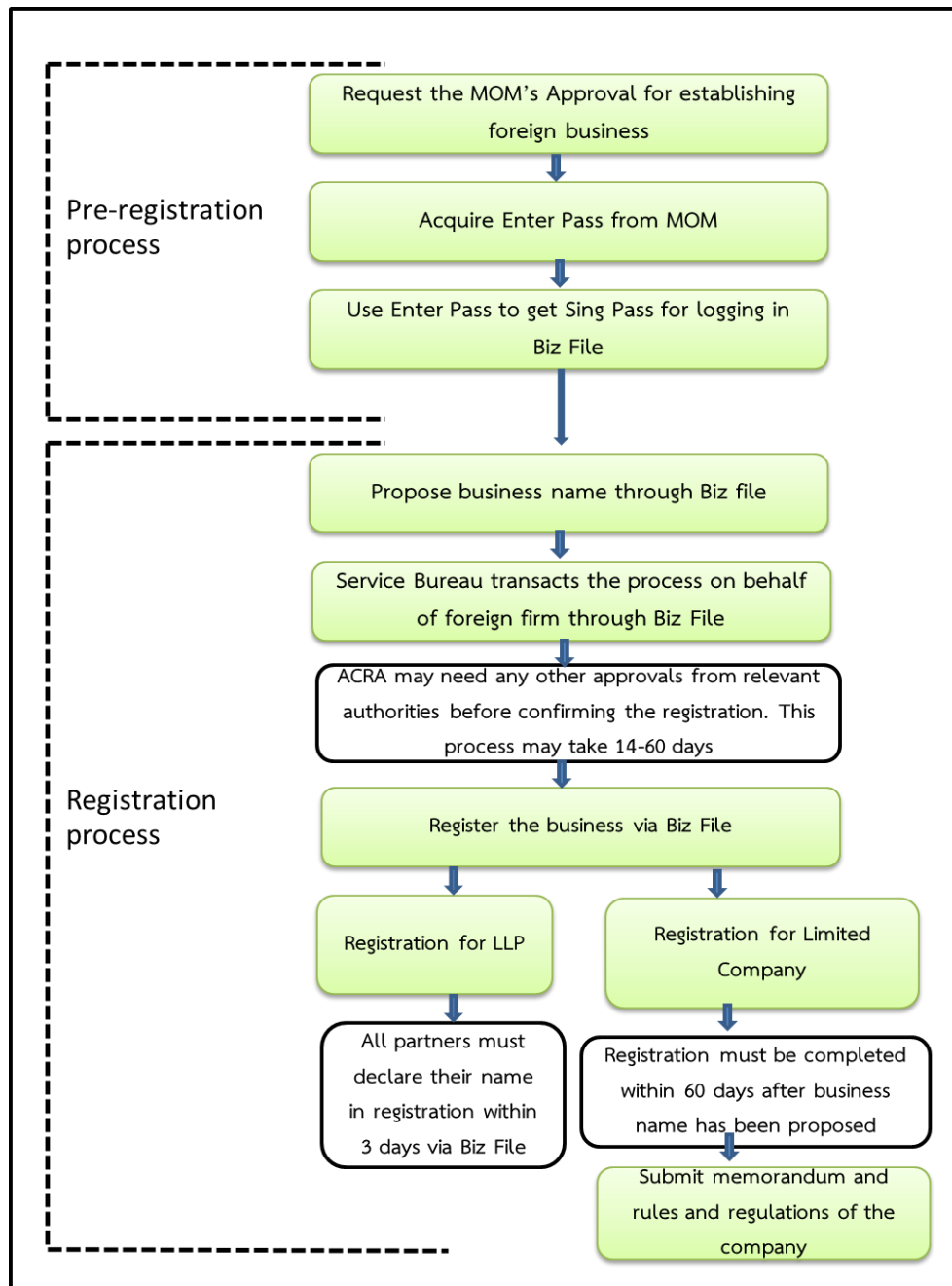
Section 20 requires that the registration of business must be done online through the Bizfile website<sup>128</sup> either by his/her own, or through legal specialist or consultant. Foreigners are, however, prohibited to directly register online through BizFile, but must

---

<sup>128</sup> An online business database and registration website made by ACRA to facilitate businesses with e-services which connects to the relevant government agencies.

have a company providing business registration service to do so on their behalf (Section 7). Registration of foreign business comprises of four main procedures (see Figure 2.2):

Figure 2.2 Foreign Business Registration in Singapore



Source: Department of Business Development, "Foreign Business Registration in Singapore," <http://www.dbd.go.th/download/pdf/singapore.pdf> (Retrieved on September 9, 2014).

1. Approval from the MOM

Any foreign investor must obtain permission from the Ministry of Manpower (MOM) before registering a foreign business with the ACRA;

2. Proposed Business Name

After approved by the MOM, the foreign investor can apply for registration with the ACRA by proposing a name of the business via Bizfile using "Singpass";<sup>129</sup>

3. Registration by an appointed company providing business registration service

Foreign owner must have all of his transactions in Bizfile including registration application done by a company providing business registration service;

4. Application for Registration with the ACRA

After the application documents are submitted via Bizfile, the ACRA takes 15 minutes in processing information. Then the result and registration number are reported via an electronic mail.

After the registration of business, Section 171 of the Companies Act (Chapter 50) requires foreign business to nominate a company secretary to permanently station in Singapore for the first six months of business operation. The first annual board meeting shall be held within 18 months after the business is established, and regularly once a year onwards. Within one month after annual board meeting, the company must submit annual report to the Registrar. In addition, the company must employ an accountant within three months after establishment and submit audit report to the ACRA within one month after annual meeting. Employment of an accountant and submission of audit report are not required for a company with less than 20 shareholders which earns lower than \$5 million in a financial year.

For sole proprietorship and partnership, the business must operate under the name proposed at the time of registration. The registration number must be stated on every document used in running the business. The registration must be renewed every year through BizFile.

---

<sup>129</sup> A password that entrepreneurs use to access the e-services of government agencies. The entrepreneurs have to set their own password and change the password every two years before they are expired.

Limited partnership (LP) must state its unique entity number on every documents used to conduct the business. A LP will not be liable to income tax at the entity level as each partner will be taxed on his or its share of the income from the LP.<sup>130</sup> Where the partner is an individual, his/her share of income from the LP will be taxed based on his/her personal income tax rate. Where a partner is a company, its share of income from the LP will be taxed at the tax rate for companies. If an LP ceases to carry on business, a general partner may submit a Notice of Cessation of LP via BizFile. If a partner of Limited liability partnership (LLP) gives up his/her shares, the registration of the LLP will be temporary suspended until a new partner is appointed.

In case of limited liability partnership (LLP), the manager of LLP must submit annual declaration to ACRA to demonstrate the ability to pay debt incurred by the business. In the first year, the annual declaration must be submitted within 15 months after the business is registered.

## **2.4.2 Taxation Laws**

Singapore taxation system consists of direct and indirect taxes including Income taxes, Goods and Services Tax (GST), Excise Duty, and Stamp Duty. Furthermore, Singapore has signed tax agreements and treaties with many countries in order to encourage foreign investment.

### **A) Income taxes**

Income taxes are regulated under Income Tax Act (Chapter134) which is under the authority of the Inland Revenue Authority of Singapore (IRAS). Income taxes in Singapore are collected on the basis of source of income, which is payable at the rate for each year of assessment upon the income of any person accruing in or derived from Singapore, or received in Singapore from outside (Section 10). Income taxes can be divided into two main types as follows.

---

<sup>130</sup> Inland Revenue Authority of Singapore, "Partnership / Limited Liability Partnership (LLP) / Limited Partnership (LP)," <https://www.iras.gov.sg/irashome/Businesses/Self-Employed/Learning-the-basics/Partnership-/Limited-Liability-Partnership--LLP--/Limited-Partnership-LP-/> (Retrieved on September 20, 2015).



- Corporate Income Tax

Corporate income tax is imposed on both local and foreign businesses located in Singapore including a branch or network of foreign company based in Singapore. The corporate income tax rate has been reduced from 20% during 2005 – 2007, to 18% in 2008-2009. From 2010 onwards, the corporate income tax rate was decreased to 17%, which is the lowest rate in Asia (see Table 2.9).

Types of income that are taxable are profit arising from business in Singapore, dividend, interest, royalty, rent, gains from property, pension, fee, and annuity. However, Singapore offers tax exemption for capital gains tax. Tax deductions and relieves include business expense, cumulative loss, donations, and so on.

If business incurs loss, up to \$100,000 of the business loss can be carried forward to next year tax calculation. Moreover, the business can calculate the depreciation of factory and machine up to 100% if the assets value of depreciation is lower than \$1,000. The depreciation rate of assets allowed for deduction varies across property types, e.g. building and intellectual property.

Incomes used for tax calculation are those occurring within the tax year. The period of each tax year is one year; for example, if a company starts its tax year on 1 January 2014, then the last day of tax year is 31 December 2014, and if it starts on 1 April 2014, then it shall finish on 31 March 2015.

Business must submit to the IRAS an Estimated Chargeable Income (ECI), which is an assessment of income for the next year. Within the last month of a tax year, IRAS will notify the company to submit ECI. The company then must do so within three months after the last date of a tax year. IRAS will send a Notice of Assessment which shows a list of payable taxes to the company, which needs to pay within one month after the receipt of the Notice of Assessment.

Besides ECI, IRAS will also send C-S form to companies by the month of April every year to list out the incomes for tax calculation. The company can submit a C-S form to IRAS using e-file, which needs to be done before 15 December of every year, or paper file within 30 November of each year. IRAS will assess and notify the business if it is eligible to claim refund or required to pay additional taxes. In the case where additional tax payment is

required, it has to be done within a month after the receipt of notice from IRAS. If the business does not agree with the notice, it has to contact IRAS within two months after receiving the notice and state the reasons of its disagreement.

**Table 2.9 Corporate income tax rate in Singapore**

Income for tax calculation	Tax rate (%)
The first 3 years	
0 – 100,000	0
100,001 – 300,000	8.5
From 300,001 upwards	17
After the third year	
0 – 300,000	8.5
From 300,001 upwards	17

- **Personal Income Tax**

The personal income tax is imposed on both locals and foreigners who have worked in Singapore for at least 183 days in a year. The personal income tax rate has been adjusted from 3.5% - 20% during 2007 – 2011, to 2% - 20% since 2012 (see Table 2.10).

Taxable income includes trade profit, profit from professional service provision, earning from employment (salary, compensation for holiday, fee, commission, bonus, per diem, and so on), pension, and annuity.

For the person who does not reside in Singapore, the tax calculation is based on income source which can be earning from employment (salary, bonus, per diem, etc.) or earning from being a director of a company. The earning from employment is collected at 15%, while income from other sources will be collected at 20%

Employee can calculate the expenses during work, e.g. transportation expense, as tax deduction. Entrepreneurs can use the expenses incurred while conducting the business for tax deduction.

Local and foreign individual must submit to IRAS tax form before 15 April every year. Taxes may be paid in full one-timely within one month after filing the tax form, or divided into the maximum of 12 installments per year.

For foreigners, personal income tax exemption is possible depending on the duration of stay and type of work in Singapore. If a foreigner stays in Singapore for less than 183 days within one tax year, he/she is not considered as a permanent resident. If the duration of stay does not exceed 60 days, the income earned from employment will be exempted from tax calculation, unless the foreigner is a director, public entertainer, or professional working in Singapore – all of which are not eligible for tax exemption.

Foreigners staying in Singapore between 61 to 182 days have to calculate their incomes earned from employment at 15% or at progressive rate of personal income tax, whichever is higher. Other sources of income such as director's remuneration will be calculated at 20% tax rate. If the foreigner stays in Singapore for a period longer than 183 days within one tax year, he/she will be considered as a permanent resident in Singapore and thus all of his/her incomes shall be calculated for personal income tax.

**Table 2.10 Personal income tax rate in Singapore**

Income for tax calculation	Tax rate (%)
0 – 20,000	0
20,001 – 30,000	2
30,001 – 40,000	3.5
40,001 – 80,000	7
80,001 – 120,000	11.5
120,001 – 160,000	15
160,001 – 200,000	17
200,001 – 320,000	18
From 320,000 upwards	20

## B) Goods and Services Tax (GST)

Another important taxation law is Goods and Services Tax Act, which was enacted in 1993 to regulate the imposition of tax on goods and services (GST) consumed inside Singapore. GST can be divided into three groups as follows.

- Genral goods and services, collected at 7%
- Export goods and services, collected at 0%
- Goods exempted from GST are sale and rent of residential property (noted that concerning services such as estate agent or legal consultant are still taxed on their incomes earned from service provision) and financial services.

Section 7 of Goods and Services Tax Act stipulates that GST shall be charged the supply of goods and services in Singapore and on the importation of goods into Singapore. For imported goods, the amount of GST payable is computed based on the CIF (cost, insurance and freight), customs duties, as well as commission and other charges at 7%, regardless of the objective of importation whether for consumption, sale, or export to the third country. Nevertheless, importation of some goods is exempted from GST, e.g. Investment Precious Metals (IPM) such as gold, silver, and platinum.

Any enterprise earning taxable income of more than \$1 million must register under this Act in order to be taxed at given rate. The rate is normally collected at 7% of the price of goods and services. Tax collected from consumer is called Output Tax, which business must pass on to IRAS. Whereas, Input Tax is imposed on operating expenses or the purchase of goods and services for business operation, which can be refunded if purchased from domestic suppliers registered under GST or from abroad by submitting tax invoice and import permit. Export tax rate in Singapore is 0%. (see Table 2.11).

Table 2.11 Rates of GST

	Dutiable		Non-dutiable	
	7 %	0 %	exempt	unbound
Goods	Domestically buying and selling of almost all types of goods such as buying TV from a store in Singapore	Exporting goods out of Singapore such as selling TV to foreign customers where TV must be transported outside Singapore	Selling or renting non-furnished residential property and importing IPM	Any transaction occurs abroad with no goods imported into or exported out of Singapore
Services	Almost all types of services provided in Singapore such as Tour guide in Singapore	Services for overseas such as air ticket from Singapore to Thailand	Financial services	

To demonstrate GST calculation method, a leather bag which comprises of import leather and buttons to be sewn and sold at \$100 in Singapore must pay GST at 7%, i.e. \$7. This input tax can be refunded by submitting a tax refund form and supporting evidence to IRAS.<sup>131</sup> When the leather bag is sold to a retailer at \$200, the retailer then pays \$14 of GST, which can also be claimed back from the IRAS, to the producer. That is, the retailer pays \$214 in total. When the leather bag is bought by a consumer at \$300, the consumer then pays \$21 for GST to the retailer, which makes the final price at \$321.

Imposing GST in the way mentioned above allows Singapore to collect tax efficiently and systematically by collecting from businesses in the IRAS database. Furthermore, GST is an indirect way of tax collection, which means tax payers are not aware being taxed – as the taxes are already included in the goods and services. This allows the government to collect other taxes such as income tax at lower rate, and

<sup>131</sup> For the form and more information, please visit Inland Revenue Authority of Singapore, "For GST-registered businesses," <http://www.iras.gov.sg/irasHome/page04.aspx?id=4456> (Retrieved on January 9, 2015).

hence promotes employment and investment in the country. Moreover, it encourages some levels of saving as goods and services are not priced too low.

Tourist refund scheme are regulated under the Good and Services Tax (General) Regulations in Part VII, Tourist refund scheme. Any tourist who wants to get GST refund must ensure that the goods are purchased within two months before bringing the goods outside Singapore. The tax refund application must be supported by one or more invoices or receipts showing the amount of goods and GST. The value of goods in one receipt must be no less than \$100.

Setion 49 of Good and Services Tax (General) Regulations provides definitions of tourist as follows:

- (1) any person who has been resided in Singapore no longer than 365 days in 24 months prior to the purchasing date;
- (2) any person who is non- citizen or non-resident of Singapore;
- (3) any person who is not a member of the crew of the aircraft or ship on which he is departing out of Singapore;
- (4) any person who has not, at any time in the 6 months immediately preceding the date of purchase of the goods, been at any time employed in Singapore;
- (5) any person who is 16 years of age or above at the date of purchase of the goods;
- (6) if the person is the holder of a student's pass, he must remain outside Singapore for a period of at least 12 months from the date of his departure from Singapore.

After the approval of tax refund, the goods must be brought out of Singapore within 12 hours. At current, tourists can submit tax refund application at any approved agency or retailer operated under Electronic Tourist Refund Scheme (eTRS). The eTRS retailers can provide electronic ticket, receipts, and tax invoice for their customers to immediately claim the GST back at the airport or port.

### **C) Excise duty**

Excise duty is an indirect tax regulated under several laws such as Customs Act (Chapter 70), Goods and Services Tax Act (Chapter 117A), and Casino Control Act

(Chapter 33A). The excise duty is collected by Singapore Customs on goods and services imported into or produced within Singapore. Most of the goods are imposed excise duty upon a volume basis, while others are calculated on a value basis, or both. Singapore, as a tourist destination, imposes excise duty in consideration of public transportation and control of unhealthy goods.

The goods and services dutiable for excise tax are tobacco, petroleum, alcoholic beverage, vehicle, casino, entertainment services, karaoke, pub, and lounge. Tax structure varies across each type of goods (See Appendix 1 for list of dutiable goods). For example, the excise duty rate of unleaded motor spirit of RON 90 and above but under 97 is \$4.10 per decaliter. Excise duty on car is 20%. Casinos charge 5% of membership fee of at least \$100,000 for premium players, and 15% for other players.

#### D) Stamp Duties Act (Chapter 312)

Collecting stamp duties is also a responsibility of the IRAS under the provision of Stamp Duties Act. Stamp duty is imposed on some documents such as lease, conveyance duty, mortgage, and share transfer. Table 2.12 illustrates stamp duties rates imposed on documents executed on and after February 22, 2014.

**Table 2.12 Stamp Duties Rates**

Lease			
Average Annual Rent ( AAR) \$ 1,000 or below			nondutiable
AAR more than \$ 1,000	Leasing term 4 years or below		0.4 % of AAR for the life of the lease term
	Leasing term beyond 4 years		0.4 % of 4 times of AAR for the life of the lease term
Conveyance Duty			
Buyer's Stamp Duty (BSD)	The first \$ 180,000		1 %
	The next \$ 180,000		2 %
	The rest		3 %
	The foreign person or entity who purchase residential property pays duty rates above plus 15 %		
Seller's Stamp Duty (SSD)	Residential property - holding for a period up to 1 year	every \$ 100 of the first \$ 180,000	\$ 1
		every \$ 100 of the next \$ 180,000	\$ 2

	Residential property- holding for a period longer than 1 year pays no SSD		
	Industrial property	Holding for a period up to 1 year	15% of market value
		Holding for a period more than 1 year and up to 2 years	10% of market value
		Holding for a period more than 2 and up to 3 years	5% of market value
		holding for a period more than 3 years pays no SSD	
Mortgage			
Calculation based on number of property facility or mortgage share		0.4 % (the maximum duty of \$ 500)	
Share transfer			
Calculation based on market value of share		0.2 %	

A stamped document generally indicates the person who is liable to pay Stamp Duty; where the liability is not stated in the document, the party to pay Stamp Duty will follow that as specified in the Third Schedule to the Stamp Duties Act. That is, lessee or tenant is responsible for paying stamp duty in case of lease agreement; lessor or landlord pays for the stamp duty in case of duplicate or counterpart documents; mortgagor pays for the mortgage stamp duty; and transferee for the share transfer stamp duty.

#### E) Avoidance of Double Taxation Agreement

The Avoidance of Double Taxation Agreement is an international agreement between states aiming to eradicate double tax collection and set a clear guideline of taxation. This is expected to prevent tax avoidance and promote flow of capital and technology between countries. Singapore has signed the Avoidance of Double Taxation Agreement with more than 70 countries, seven of which are ASEAN members – Brunei, Philippines, Indonesia, Malaysia, Myanmar, Thailand, and Vietnam.



Singapore and Thailand signed the Avoidance of Double Taxation Agreement (DTA) which has been effective since 1976. The DTA aims to encourage foreigners to invest and launch a business in Singapore and Thailand. The DTA covers permanent residents, individual and legal entity in Singapore and Thailand. Section 50 of Income Tax Act (Chapter 134) mentions about tax credits in relation to international agreements, i.e. DTAs.

Article 2 of the DTA lays down the coverage of the agreement. Thailand's commitment covers corporate income tax, personal income tax, and petroleum income tax, while Singapore commits corporate income tax and personal income tax. DTA covers natural person and legal person with residence in Singapore or Thailand, regardless of nationality. In the case of Thailand, the eligible person must reside in Thailand for a period or many periods of time, but altogether there must be at least 180 days within a tax year. Company and partnership founded under Thai laws are considered having residence in Thailand. Foreign company that has a branch in Thailand will be considered having a nationality of the country where its headquarter is located. Those who wish to claim the privilege under DTA must be the true owner of incomes and able to provide proof of residence, especially in the case of ambiguous residence.

Article 22 of the DTA elaborates on the elimination of double taxation. The Thailand tax payable in respect of income derived from Thailand shall be allowed as a credit against Singapore tax payable in respect of that income. Where such income is a dividend paid by a company which is a resident of Thailand to a company which is a resident of Singapore and which owns not less than 25 per cent of the voting shares of the company paying the dividend, the credit shall take into account Thai tax payable by that company in respect of its income out of which the dividend is paid. The credit shall not, however, exceed that part of the Singapore tax, as computed before the credit is given, which is appropriate to such item of income.<sup>132</sup>

---

<sup>132</sup> ASEAN Briefing, "Double Taxation Avoidance Agreement between

Tax payers who can claim the right to double tax avoidance under DTA are those with duty to pay taxes under domestic laws of the relevant parties. This includes incomes tax and petroleum income tax only. Tax payers who do not have to pay such taxes may not claim the right under the DTA.

### *Tax reduction measures*

Singapore offer tax relief to attract foreign investment through tax benefits for various types of business such as financial, banking, transshipment, and tourism; measures for headquarter establishment; measures to promote R&D, innovation, and product development. Examples are Productivity and Innovation Credit (PIC) which is introduced by IRAS, and Capability Development Grant (CDG) which is employed by SPRING.

- Productivity and Innovation Credit (PIC)

PIC has offered tax benefits from the fiscal years 2010 to 2015 in order to encourage innovation and product development activities in Singapore. Later in 2014, PIC's period is prolonged until 2018 and covered various types of SMEs. The eligible company will receive tax deductions and PIC bonus when investing in any of the six qualifying activities as follows:

- Training of employees;
- Registration of patents, trademarks, designs and plant varieties;
- Acquisition and In-licensing of Intellectual Property Rights;
- Research and development activities;
- Acquisition and leasing of PIC Information Technology (IT) and Automation Equipment; and
- Design projects approved by Design Singapore Council.

Entrepreneurs may apply for tax benefit under the PIC if their businesses have spent a minimum of \$5,000 on PIC-qualifying expenditure during the accounting year, employed at least 3 local employees, and carried on business operation in Singapore. The

---

Thailand and Singapore," [http://www.aseanbriefing.com/userfiles/resources-pdfs/Thailand/DTA/ASEAN\\_DTA\\_Singapore\\_Thailand.pdf](http://www.aseanbriefing.com/userfiles/resources-pdfs/Thailand/DTA/ASEAN_DTA_Singapore_Thailand.pdf) (Retrieved on September 20, 2016).

entrepreneurs may express their wish to apply for PIC benefit in their tax return form and submit to the IRAS. The IRAS will then compute the PIC bonus and approve the cash payout later.

- Capability Development Grant (CDG)

CDG is the financial-aid program which aims to assist SMEs by subsidizing 70% of qualifying project costs relating to consultancy, manpower, training, certification, upgrading productivity and developing business capabilities for process improvement, product development and market access. The grant supports a wide range of capability upgrading initiatives that enable SMEs to successfully compete and grow their businesses locally and globally.

Entrepreneurs may apply for CDG benefit by checking the eligibilities with SPRING (Standards, Productivity and Innovation Board) and receive the CDG application form to prepare supporting documents, both of which shall be submitted to SPRING. SPRING will then assess the application, needs, potential, and scope of each SME before granting the approval.

### 2.4.3 Financial and Banking Laws

#### *A) Laws relating to Bonds and Securities*

Nowadays ASEAN investors can buy and sell stocks via ASEAN Trading Link which connects seven stock exchanges in ASEAN including Thailand and Singapore. Singapore's stock exchange is called Singapore Exchange (SGX), and is operated under the authority of the Monetary Authority of Singapore (MAS) and the Securities Industry Council under the provision of the Securities and Futures Act (Chapter 289).

SGX is the biggest stock exchange in ASEAN and comprises of three small markets called Main board, Catalist, and Global quote. The total securities can be counted to more than 1,000 companies.

Companies eligible for listing must meet some conditions. For example, the profit before tax must be at least \$7.5 million within the previous three years and the minimum of profit before tax for each year must be \$1 million. The market value of the company must be at least \$80 million.

Process of getting a company listed in SGX comprises of several steps, from appointing financial consultant to help preparing the company such as arranging the internal control system, audit the company, permit application, offering share for sale to the public, submit application, to sale the securities. The company must transform into a public company before selling securities and register into the stock exchange. Afterwards, the securities can be sold to the public and get listed in the SGX.

The definition of securities under the Securities and Futures Act is:

- debentures or stocks issued or proposed to be issued by a government;
- debentures, stocks or shares issued or proposed to be issued by a corporation or body unincorporate;
- right, option or derivative in respect of any such debentures, stocks or shares;
- right under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss
- unit in a collective investment scheme;
- unit in a business trust;
- derivative of a unit in a business trust; or
- other product or class of products as the MAS may prescribe,

The above definition does not include futures contracts which are traded on a futures market, bills of exchange, promissory notes, certificates of deposit issued by a bank or finance company, and other products prescribed by MAS.

Section 219 prohibits unlawful behaviors in stock exchange. Singapore has improved the method of connecting information through the use of insider trading and stipulated punishment of such offence under Section 221.

Furthermore, other misconducts which also mean deceptive behavior in securities market are false trading and market rigging transactions, securities market manipulation, false or misleading statements, fraudulently inducing persons to deal in securities, employment of manipulative and deceptive devices, and dissemination of

information about illegal transactions (Section 197 to Section 202). The penalties are written in Section 204.

### ***B) Laws relating to Money Laundering***

Singapore is an eminent source of money laundering of the world due to the advancement of financial system as well as its open economy which together facilitate money and capital movements. Hence, entrepreneurs in Singapore especially those who are involved in financial transactions relating to banking, insurance, securities trading, and law firm; and buying and selling expensive movable and immovable properties should have knowledge about laws relating to money laundering in order not to indeliberately incorporate to such illegal activities.

The anti-money laundering regulations are provided under Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (Chapter 65A) or CDSA. The definition of serious crimes is in the Second Schedule of CDSA which covers ransom, trafficking women and girls, hijacking, counterfeiting coins or bank notes, selling illegal arms, etc.

From Section 43 to Section 47 under the CDSA, four predicate offences are as follows:

(1) any intention to disguise any property which represents the benefits of drug trafficking or from criminal conduct; or convert any property into securities ;or transfer any property out of Singapore as mentioned in Section 46(1) and Section 47(1);

(2) any purchase or acquisition of property, directly or indirectly represents drug trafficking or criminal conduct, with or without knowing that it is derived from illegal conduct such as buying diamond at a tremendously lower price than its market value as mentioned in Section 46 (3) and Section 47 (3);

(3) any action for the purpose of assisting any person who commits an offence in subsection (1) to avoid prosecution for a serious offence as mentioned in Section 46 (1) and Section 47(1); such that, a bank officer provides room for customer involving in money laundering process or transferring illegal money out of Singapore;

(4) any assistance given to the person committing an offence in order for the following actions:

- Retention the benefits of drug trafficking or from criminal conduct such as transferring benefits to nominees or out of Singapore such as concealing the benefits by using a fake name to open an account;
- Reinvestment of the benefits derived from any illegal conduct such as establishment of personal funds;
- Conversion such the benefits into any other property through investment such as accommodation the use of illegal money to invest in mutual fund of any bank;

Nevertheless, the forth and the third predicate offences mentioned above are different in the point of justification which needs reasonable evidence to be proved that the suspected party takes part in money laundering by cooperating with the criminal or drug trafficker in advance. An example can be any agreement on commission sales. Any party suspected in committing the forth offence may be found faultless in the following cases:

(a) he is verified that he has no reasonable grounds to realize that the property has been derived from illegal transactions;

(b) he did not realize that the transaction has illegally benefited any other person;

(c) he intends to disclose to an authorized officer a suspicion or belief that any property, funds, and investments are derived from or used in connection with drug trafficking or criminal conduct and there is reasonable excuse for his failure to make disclosure;

(d) he has reported the suspicion to a compliance officer or authority in charge of monitoring money laundering in financial institutions in accordance with Section 43 (4) and Section 44 (4);

Penalty for any of the four predicate offences is that the person must be liable on conviction to, in the case of natural person, a fine not exceeding \$500,000 (12.5 millions

THB) or to imprisonment for a term not exceeding ten years or to both; or in the case of legal person, a fine not exceeding \$1 million (25 millions THB), as mentioned in Section 43 (5) and Section 46 (6).

### *Tipping off*

Bank officer, law practitioner, and other related professionals must be aware of money laundering investigation conducted by government agency without notifying an investigatee since its impending consequences could be found guilty. For example, while a bank officer realizes that an anti-money laundering investigator is inspecting an account of that customer who is an investigatee, he cannot truthfully reveal that a customer is being investigated or assist an investigatee in transferring money out of Singapore (Section 48 (1) and Section 48 (2)).

For all that, Section 48 (3) provides exemption for any advocate or solicitor of legal services to disclose any information to the client for the purpose of professional employment. For example, a law firm which has been hired to give advice relating to drug trafficking is allowed to inform the client if any information of the client must be submitted upon request of inspector. However, the exemption is abrogated if any assistance from a law firm happens to be unlawful.

Any person who commits any action relating to tipping-off must be guilty of an offence and be liable on conviction to a fine not exceeding \$30,000 or to imprisonment for a term not exceeding three years or to both.

### *Disclosure of Knowledge or Suspicion*

The important anti-money laundering duties must be inducible for financial institutions and businesses involving large budget transactions to reveal suspicions to an authorized officer. The duties to disclose knowledge or suspicion are in Section 39 (1), general regulations on the disclosure, and Section 43 (3) / Section 44 (3), conditions on the specific disclosure as detailed in the following:

Section 39 (1) states significant regulations as: (a) any related party must disclose any suspicion; (b) the disclosure covers benefits arisen from both drug trafficking and criminal conduct; (c) the disclosure includes money and assets derived

from lawful transaction but ,there exists an evidence, found to be intentionally "used" for drug trafficking or criminal conduct (rightful money for wrongful transaction). Any person who refuses to disclose these three conditions must be liable on conviction to a fine not exceeding \$20,000 (500,000 THB).

Section 43 (3) and Section 44 (3) protect a person who discloses a suspicion to an authorized officer not to be guilty of an offence under this section if he discloses before taking unlawful action or after the act but it is made on his initiative and as soon as it is reasonable for him to make it. Also, the identity of any person disclosing a suspicion will be blinded for security.

In addition to the disclosure of suspicion, financial institutions are responsible for preserving client's documents relating to his financial transactions for a period at least six years. The included documents can be related to opening and closing account, opening a safe deposit box, money transfer and borrowing, and customer identification.

### **C) ASEAN Comprehensive Investment Agreement (ACIA)**

There are two dimensions of investment liberalization: investment liberalization and investment protection. The first one is called ASEAN Investment Area (AIA) which deals with liberalization, promotion, and facilitation of investment. The AIA covers five business sectors namely manufacturing, agricultural, fishery, and forestry, as well as services relating to the five sectors, but does not include investment in stock exchange and investment covered by other ASEAN agreements.

The second, investment protection, is called ASEAN Investment Guarantee Agreement (ASEAN IGA). This agreement concerns compensation in case of property seizure, expropriate, or chaos; free flow of investment; the ability of investors to sue states for failure to follow commitment under international arbitration.

Afterward, the introduction of AEC Blueprint has merged both agreements as ASEAN Comprehensive Investment Agreement (ACIA) in 2009. ACIA, therefore, covers liberalization, promotion, facilitation, and protection of investment.

The scope of liberalization under ACIA still limits to the original five sectors, and does not include investment in services sectors under ASEAN Framework Agreement on



Services (AFAS), as mentioned earlier. The investment liberalization under the AIA employs a negative list approach, meaning that an investor from ASEAN country is allowed to invest in every sub-sector of manufacturing sector in Singapore except the sectors which have been specified in the reservation list since 2009. The limitations for foreign investment in sectors in ACIA reservation list are demonstrated in Table 2.13 below.

**Table 2.13 Sectors in ACIA Reservation List**

Sector	Limitations
All sectors	Any financial institutions giving credit to any non-resident or foreign financial institutions more than \$ 5 millions or issue stocks or debenture denominated in USD to any non-resident must examine that any granted loan is credit default swap or converted into foreign currency before being transferred outside Singapore
All sectors	Private investors cannot hold shares, directly or indirectly, in a legal entity up to the amount as follows: <ul style="list-style-type: none"> <li>- Singapore Technologies Engineering 15 %</li> <li>- Singapore power, Power Grid, Power Supply, Power Gas 10 %</li> <li>- PSA Corporation 5 %</li> <li>- Singapore Airlines 5 %</li> </ul>
All sectors	Only a citizen, resident, or holder of work visa in Singapore is allowed to set up business in Singapore without collaborating with local director. Constituting a business or legal entity in Singapore by the said person requires: <ul style="list-style-type: none"> <li>- at least one director residing in Singapore</li> <li>- at least two representative officers residing in Singapore (in case of a branch)</li> </ul>
All sectors	Regulations for any business relating to the public lands enforced to an investor or firm in Singapore may not be in the same way as to a foreign investor or firm
All sectors	Local regulations enforced to local investor/firm and foreign investor/firm may not be in the same way and rules and regulations in assigning executive officer in general investment are not enforceable in two cases: (1) any services provided by the government being transferred, partly or entirely, to private sector; (2) privatization of public owned, partially or entirely, shares or assets
Manufacturing	Local regulations enforced to local investor/firm and foreign investor/firm may not be in the same way and rules and regulations in assigning executive officer in general investment may be in a different way for any investment relating to manufacturing, consuming, selling, maintaining, transporting, importing, exporting, and acquiring weapons and explosives
Manufacturing	Local regulations enforced to local and foreign investors on the following manufacturing may not be in the same way: <ol style="list-style-type: none"> <li>1. beer and stout</li> <li>2. cigar</li> <li>3. drawn steel products</li> </ol>

Sector	Limitations
	<ol style="list-style-type: none"> <li>4. chewing gum</li> <li>5. tobacco</li> <li>6. match</li> <li>7. firework</li> </ol>
Manufacturing	<p>Local regulations enforced to local and foreign investors on the following manufacturing may not be in the same way:</p> <ol style="list-style-type: none"> <li>1. Compact Disc</li> <li>2. Digital Video Disc</li> <li>3. Video Compact Disc</li> <li>4. Master discs</li> <li>5. stampers</li> </ol>
Agriculture	<p>Local regulations enforced to local investor/firm and foreign investor/firm in pig farming business may not be in the same way (no license being issued for this business in this moment)</p>
Mining and Quarrying	<p>Local regulations enforced to local investor/firm and foreign investor/firm in mining and quarrying business may not be in the same way</p>
Industrial	<p>Local regulations enforced to local investor/firm and foreign investor/firm may not be in the same way and rules and regulations in assigning executive officer in general investment may be in a different way for any investment relating to newspaper publishing such as limitation on the proportion of foreign ownership and conditions on the authority to administer a business</p>

For investment protection, the ACIA determines compensation to ASEAN investor including Thai investor for any damages arising from the act of seizure, condemnation, and expropriation on behalf of Singapore government or any turbulence. Any investor is allowed to sue the government under international arbitration if there is any violation of commitment under such an agreement which incurs damages to his business. Given that, the business affected by any unlawful action of the government can sue only if it has been approved and registered in advance. Unfortunately, most businesses are not qualified so which results in no investment protection at all. Except the case of concession or investment relating to infrastructure such as telecommunications, energy, and transportation; the business must be approved by specific authority.

## 2.5 Land and Land Utilization Laws

Singapore is an island country with smallest land size among ASEAN member states – covering only 70,000 hectares or 700 square kilometres,<sup>133</sup> i.e. around half the size of Bangkok. Around 58% of the total land areas are state lands,<sup>134</sup> which are managed by Singapore Land Authority (SLA), a statutory board under Ministry of Law. Since Singapore has adopted liberal policy towards foreigners, offered modern facilities, and posited as the world's trade and investment hub, real estate in Singapore is highly attractive for investment. This however could lead to inadequate housing for the local people. Therefore, Singapore laws limit the foreign ownership of residential property.

It should be noted that foreigners are still able to own non-residential property in Singapore, as well as to rent any property which shall be done according to the sale or rent contract. Hence, this section presents only laws relating to foreign ownership of residential property. The presentation is divided into two topics: land laws and land utilization laws.

### 2.5.1 Land laws

In Singapore, there are two key laws relating to rent, sale, and possession of land right, as well as land tax namely Residential Property Act (Chapter 274) and Property Tax Act (Chapter 254), both of which are discussed below.

#### *(A) Residential Property Act (Chapter 274)*

Residential Property Act (Chapter 274) directs issues relating to rent, sale, and possession of land right. The law was enacted in 1973 in order to regulate the sale and transfer ownership of residential properties, including vacant lands in Singapore. The law at that time totally banned non-citizens from possessing any residential property in Singapore. As time passed, when the economy of Singapore became more and more

---

<sup>133</sup> ASEAN Secretariat, "Table IX.1 Agriculture Land and Land Use 2011," *ASEAN Statistical Year Book 2013* (Jakarta: ASEAN Secretariat, 2013), 168.

<sup>134</sup> Singapore Land Authority, "Management of State Land."

dependent on international trade and investment, Residential Property Act was then revised in 2006 in order to facilitate foreign investors by allowing them to own some types of residential property. In doing so, foreigners must gain approval from the Minister of Law through the Controller of Residential Property, who is the head of SLA.

Residential Property Act (Chapter 274) defines residential property as:

(a) any vacant land upon which no building or other structure exists or any land upon which exists any building or other structure which is constructed or used contrary to any written law;

(b) any house, building or other premises or any part thereof which is permitted to be used pursuant to the Planning Act (Cap. 232) or any other written law as a dwelling-house or which is lawfully so used;

(c) any land zoned for residential purposes in the Master Plan; and

(d) such other land or building, in whatever manner zoned in the Master Plan, as the Minister may, by notification in the Gazette, declare to be residential property for the purposes of this Act,

Therefore, land and property listed as industrial or commercial according to Planning Act (which will be discussed later in 2.5.2) or other statutes such as hotels registered under Hotels Act (Chapter 127), including land and property declared in the Gazette by Minister of Law as land and property for industrial or commercial purposes, are not regulated under this Act. Foreigners may buy, sell, and acquire ownership of industrial or commercial property through sale or rental contracts. Most lands and properties in these types are however under the management of JTC Corporation, and are categorised according to industries or businesses, e.g. Business Park Land, Med Tech Hub, and Seletar Aerospace Park.<sup>135</sup>

---

<sup>135</sup> For more information, please visit JTC Corporation, "Real Estate Solutions," <http://www.jtc.gov.sg/Pages/default.aspx> (Retrieved on February 24, 2015). Similar to Temasek, JTC is a company owned by Singapore government. It should be noted that those who are interested to buy industrial or commercial

It is quite clear that Residential Property Act intends for Singaporean citizens to gain access to residential properties in their own countries first. The definition of "foreign person" under this Act covers every natural person, legal person, limited liability partnership, and society which does not have Singaporean citizenship.<sup>136</sup> Therefore, a permanent resident (PR) in Singapore is also considered a foreign person.

Section 3 of this Act prohibits transfer of any residential property or any estate, or any interest in any property or estate, or any trust for sale in respect of any residential property or any estate to any foreign person. Furthermore, no estate or interest in any residential property belonging to a deceased person who dies on or after 11 September 1973 (which was the date on which this Act was introduced) shall pass by bequest, succession or inheritance to any foreign person. The legal representatives to whom probate or letters of administration are granted in respect of such residential property shall sell such estate or interest in the residential property to a Singapore citizen or a purchaser who is approved by Minister of Law (which could be a foreign person, according to Section 25) within a period of 10 years of the date of the death of the deceased person. Moreover, no Singapore company, limited liability partnership, or society which is the owner of any estate or interest in any residential property shall become a converted foreign company, foreign limited liability partnership, or society without first seeking and obtaining the written approval of the Minister (Section 9).

This Act also contains strict and practical enforcement, by prohibiting Singapore citizen to purchase or acquire any estate or interest in any residential property as a nominee of any foreign person. Violation of this provision may result in a fine not exceeding \$100,000 or to imprisonment for a term not exceeding 3 years or to both. The

---

property must have proof of their intention. In general, this may include registration under Companies Act and other regulations.

<sup>136</sup> Section 2 "society" means —

- (a) any unincorporated body or association of persons;
- (b) any trade union, co-operative society, mutual benefit organisation or other organisation; or
- (c) any statutory body constituted under any written law;

court may also order a confiscation against the defendant in respect of benefits derived from the estate or interest in residential property (Section 23).

Nevertheless, Residential Property Act allows foreign persons to buy and own restricted residential property upon an approval of Minister of Law. Other types of property not covered under this Act are considered non-restricted residential properties, which may be bought or owned by foreign persons without prior approval.

*Restricted residential property*

Section 25 of Residential Property Act (Chapter 274) allows foreign persons to purchase, acquire or retain any estate or interest in the following residential property, upon the approval of Minister of Law<sup>137</sup>

- (1) Vacant residential land;
- (2) Terrace house;
- (3) Semi-detached house;
- (4) Bungalow/detached house;
- (5) Strata landed house which is not within an approved condominium development under the Planning Act;
- (6) Shophouse (for non-commercial use);
- (7) Association premises;
- (8) Place of worship; and
- (9) Worker's dormitory/service apartments/boarding house (not registered under the provisions of the Hotels Act).

Application form may be filled and submitted to SLA.<sup>138</sup> Application fee is \$1,220. The application will be reviewed according to Section 25 of Residential Property Act

---

<sup>137</sup> Singapore Land Authority, "Foreign Ownership of Properties,"

<http://www.sla.gov.sg/Services/RestrictiononForeignOwnershipofLandedProperty.aspx> (Retrieved on January 24, 2015).

(Chapter 274), which states that a foreign person may be granted an approval on the following conditions.

(1) be a permanent resident;

(2) in the opinion of the Minister, is of economic benefit to Singapore or who, in the opinion of the Minister, makes or is able to make an adequate economic contribution to Singapore; or

(3) not being a citizen, possesses professional or other qualifications or experience which, in the opinion of the Minister, are of value or of benefit or advantageous to Singapore.

(4) be a foreign company or a foreign limited liability partnership which, in the opinion of the Minister, is of economic benefit to Singapore or makes or is able to make an adequate economic contribution to Singapore, and intends to purchase or acquire, or retain any interest in, residential property for the purpose of occupation as a dwelling-house by its executives, managers, partners, employees or other personnel and their families and not for any other purpose.

The SLA will consider condition no. (1) to (3) for applicant who is a natural person, provided further that the restricted residential property in the application is for the dwelling of self and families. Applicant who is a legal person will be reviewed under condition no. (4).

#### Non-restricted residential property

Section 4 of Residential Property Act (Chapter 274) allows foreign persons to buy and own some types of property without the approval of Minister of Law.

---

<sup>138</sup> Singapore Land Authority, "Forms,"

<http://www.sla.gov.sg/Services/RestrictiononForeignOwnershipofLandedProperty/Forms.aspx> (Retrieved on January 24, 2015).

Considering other provisions in this Act, there are eight types of property which foreign persons may buy and own, similar to Singapore persons.<sup>139</sup>

- (1) Condominium unit;
- (2) Flat unit;
- (3) Strata landed house in an approved condominium development;
- (4) A leasehold estate in a landed residential property for a term not exceeding 7 years, including any further term which may be granted by way of an option for renewal;
- (5) Shophouse (for commercial use);
- (6) Industrial and commercial properties;
- (7) Hotel (registered under the provisions of the Hotels Act); and
- (8) Executive condominium unit, HDB Flat and HDB shophouse

*Transfer of ownership and mortgage of restricted residential property*

Foreign persons who receive the approval from Minister of Law to retain ownership of restricted residential property shall not transfer the ownership or interest in the property to foreign persons (Section 21). Therefore, in a case where a Thai citizen was approved by the Minister to own a detached house in Singapore, he/she cannot transfer the ownership of the detached house as inheritance to the heir who is a Thai citizen. Unless the heir is a Singaporean, or an approved purchaser, the detached house must be sold within 10 years after the owner passed away.

Similarly, restricted residential property must be mortgaged to Singapore persons or foreign persons who are approved purchasers (Section 22). Non-restricted residential property may be done through normal channel.

---

<sup>139</sup> Ibid.



### Rental of restricted residential property

Foreign persons who bought and own restricted residential property must use the property for personal dwelling only. Foreign companies may buy and own restricted residential property, only for the purpose of accommodating their executives, managers, partners, employees, or other personnel and their families only (Section 25). Restricted residential property cannot be bought or owned for the purpose of renting out or investment.

### Property development

Foreign persons who wish to develop a residential property project, or own a land classified as industrial or commercial land and wish to change such land into residential land in order to develop a residential property project such as condominium or strata landed house, must first seek approval from the SLA before starting the project. If the land or property is listed as conservation area and property, which mostly includes heritage building with historical or architectural value such as buildings from the colonial era, the development of such land and property must be carried out according to the guideline of Urban Redevelopment Authority (URA).<sup>140</sup>

It should be noted that foreign persons who wish to develop a residential property project must follow the requirements under Section 28 and Section 31. That is, they shall not sell, transfer the ownership or right, or rent out the vacant land without prior approval from the SLA. The developed property such as condominium units and landed houses shall be sold only to Singapore citizens or foreign persons who are approved by the Minister within 2 years after the project receive Temporary Occupation Permit, or Certificate of Statutory Completion.<sup>141</sup>

---

<sup>140</sup> Urban Redevelopment Authority (URA), "Conservation Guideline,"

<http://www.ura.gov.sg/uol/-/media/User%20Defined/URA%20Online/Guidelines/Conservation/Cons-Guidelines.ashx>

(Retrieved on February 23, 2015).

<sup>141</sup> They are documents which certify that the residential property is completed and occupiable after an inspection by the Building and Construction Authority (BCA). If the property meets all the requirements under inspection list, the

### Services in relation to real estate

Singapore has no law prohibiting foreigners from being estate agents in Singapore. However, those who are interested to do so are recommended to contact Institute of Estate Agents Singapore (IES)<sup>142</sup> for relevant rules and regulations, as well as news in real estate industry. Furthermore, IES also provides training course for estate agents which offers certificate that may increase the chance of employment in Singapore.

In short, because of the limited land area, laws relating to land in Singapore aims to allocate residential properties to the citizens first. Foreigners are thus restricted to own residential property in Singapore. Nevertheless, permanent residents in Singapore and foreign companies investing in Singapore can still own residential properties, some of which require approval from the Minister of Law. It could then be said that Residential Property Act (Chapter 274) contains provisions that are flexible toward foreign ownership of real estate, by authorizing the Minister and relevant authorities to review the application on a case by case basis.

### ***(B) Property Tax Act (Chapter 254)***

Taxes on real estate including land and landed property are regulated under Property Tax Act (Chapter 254) which was enacted in 1960, or two years before Singapore separated from the Federation of Malaysia. The law aims to control the collection of property taxes and is enforced by the Inland Revenue Authority of Singapore (IRAS) – a statutory board under Ministry of Finance which also regulates property tax rates and governs other types of taxes in Singapore.

---

BCA will issue the Certificate of Statutory Completion (CSC). However, if the property is not completed but the BCA considers it to be occupiable, a Temporary Occupation Permit (TOP) will be issued instead and the property must be completely developed within the timeframe stipulated in the TOP, in order to receive CSC.

<sup>142</sup> For more information, please visit Institute of Estate Agents Singapore (IES), "Introduction," <http://www.iea.sg/introduction> (Retrieved on February 24, 2015).

### Property tax collection

Property tax in Singapore is collected one year in advance every January. The owner of property is responsible for tax payment. Properties with annual value below \$18, property used solely for charity, religion, state-funded school, and social development do not need to pay property tax (Section 6). Moreover, any property which has not been unoccupied for 30 days consecutively may apply for tax return (Section 8).

### Property tax rates

From 1 January 2014, residential properties have been taxed at progressive rate, while other types of property such as commercial and industrial continued to be taxed at 10%.<sup>143</sup> This is to ensure that tax burden would not be pushed upon the consumers through the increased goods and services prices. In addition, taxes on residential properties with the following characteristics shall also remain at 10%.

- (1) Accommodation facilities within any sports and recreational club
- (2) Chalet
- (3) Child care centre, student care centre, or kindergarten
- (4) Welfare home
- (5) Hospital, hospice, or place for rehabilitation, convalescence, nursing care or similar purposes
- (6) Hotel, backpackers' hostel, boarding house or guest house
- (7) Serviced apartment
- (8) Student's boarding house or hostel
- (9) Workers' dormitory

---

<sup>143</sup> Inland Revenue Authority of Singapore, "Property Tax Rates," <http://www.iras.gov.sg/irashome/page04.aspx?id=12186> (accessed on 19 September 2014).

The new progressive tax rate on residential property differentiates between Owner-Occupied Residential Properties and Non-Owner-Occupied Residential Properties. The owners of the properties are responsible to pay taxes on both types. Taxes are calculated by the annual value of property. Table 2.14 shows tax rates for residential properties in Singapore.

**Table 2.14 Residential Tax Rates in Singapore**

Annual value of property*	Owner-Occupied Residential Properties (%)		Annual value of property*	Non-Owner-Occupied Residential Properties (%)	
	1 Jan 2014	1 Jan 2015		1 Jan 2014	1 Jan 2015
First 8,000	0	0	First 30,000	10	10
Next 47,000	4	4	Next 15,000	11	12
Next 5,000	5	6	Next 15,000	13	14
Next 10,000	6	6	Next 15,000	15	16
Next 15,000	7	8	Next 15,000	17	18
Next 15,000	9	10	Above 90,000	19	20
Next 15,000	11	12	-	-	-
Next 15,000	13	14	-	-	-
Above 130,000	15	16	-	-	-

Source: Inland Revenue Authority of Singapore, "Property Tax Rates,"

<http://www.iras.gov.sg/irashome/page04.aspx?id=12186> (accessed on 19 September 2014).

Note: \* Singapore Dollar

Table 2.14 above demonstrates that the tax rates for residential properties, both Owner-Occupied and Non-Owner-Occupied, were raised in 2015. The tax rate for Owner-Occupied Residential Property is lower than the Non-Owner-Occupied one, because Singapore has limited land area and thus aims to allocate the properties to those who actually need to reside in Singapore. This could be said that the high property tax rates were set in order to dissuade people from buying properties for investment, which could lead to distortion of property price in the country.

Table 2.15 shows an example of tax calculation for a Non-Owner-Occupied Residential Property with annual value at \$70,000 at the 2014 rate.

**Table 2.15 Example of Non-Owner-Occupied Residential Property tax calculation**

Annual value of property	Tax rate	Amount payable
First 30,000	10%	\$3,000
Next 15,000	11%	\$1650
Next 15,000	13%	\$1,950
Remaining 10,000	15%	\$1,500

Hence, the Non-Owner-Occupied Residential Property must pay \$8,100 for property tax in 2014.<sup>144</sup>

### 2.5.2 Land Utilization Law

The law governing land utilization in Singapore is Planning Act (Chapter 232), which was introduced in 1960 with an aim to manage urban planning and national development. The enforcing authority is Urban Redevelopment Authority (URA) which is responsible for the development and maximization of limited land in Singapore. The main contents of Planning Act are, therefore, general key guidelines for the URA to carry out its mission. Section 8 stipulates that the Master Plan, which is the plan to develop land in Singapore, shall be revised every five years. The Master Plan was first introduced in 1958, i.e. before Singapore became an independent Republic. This reflects the national leaders' awareness of land planning and maximization.

#### *Zoning*

URA divides Singapore into five regions (central, east, west, north, and north-east) and 55 areas. Each area has its own Development Guide Plan, which is designed by the URA to be self-sustainable. In other words, an area shall comprise residential, commercial, business and recreational properties<sup>145</sup> in order to decrease the congestion around downtown area. The Plan lays out some guidelines for properties in each area

<sup>144</sup> Inland Revenue Authority of Singapore, "IRAS e-Tax Guide," [http://www.iras.gov.sg/irashome/uploadedfiles/e-Tax\\_Guide/etaxguides\\_PT\\_Guide%20for%20Non-OO%20Residential%20Properties\\_2013-11-14.pdf](http://www.iras.gov.sg/irashome/uploadedfiles/e-Tax_Guide/etaxguides_PT_Guide%20for%20Non-OO%20Residential%20Properties_2013-11-14.pdf) (Retrieved on September 19, 2014).

<sup>145</sup> Urban Redevelopment Authority, "Master Plan: View Planning Boundaries," <http://www.ura.gov.sg/uol/master-plan/Contacts/View-Planning-Boundaries.aspx> (Retrieved on September 19, 2014).

such as Residential with commercial at the 1<sup>st</sup> storey only, or Commercial & Residential with commercial stores no less than 40% of the area. Since each area has its own Development Guide Plan, investors shall study the Plan for the area he/she is interested to invest or reside.<sup>146</sup>

### ***Land utilization***

Land development such as construction, expansion, modification, or division must first seek approval from URA. Violation of this provision may result in a fine not exceeding \$200,000, and \$10,000 per day in case of continuous offence, according to Section 12 (4) of Planning Act (Chapter 232). URA will review the application and notify the result within three months after receiving the application. The URA may grant the permit, refuse to grant the permit, or grant a permit with conditions such as limiting the height of building or define the construction timeframe. Those who do not follow the prescribed conditions shall be fined at the same rate of not applying for permit as stated in Section 12 above.

After receiving the permit to develop land, the owner or permit applicant must pay Development charge, which is collected at different rates according to various factors such as the development model, objective of utilization, and location. However, there are many grounds for the charge exemption such as the expansion of landed house or development of community center/ club. List and conditions for exemption of Development charge can be found in Planning (Development Charge – Exemption) Rules.<sup>147</sup>

---

<sup>146</sup> For more information, please visit Urban Redevelopment Authority (URA), "URA Map," <https://www.ura.gov.sg/uramaps/> (Retrieved February 24, 2015).

<sup>147</sup> Singapore Statutes Online, "Planning (Development Charge – Exemption) Rules," <http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=54533adc-5797-4878-81fc-7787f555da01;page=0;query=DocId%3A952f13de-0e3d-41f7-9a0e-b64bd582a3fb%20Depth%3A0%20ValidTime%3A01/09/2011%20TransactionTime%3A01/09/2011%20Status%3Ainfo;rec=0#pr3-he-> (Retrieved on February 24, 2015).

In addition, URA divides properties into 17 use classes. For example, Class I Shop, Class II Office and commercial school, Class III Restaurant, and so on. In the case where property owner wishes to switch the property from one use class to another use class, for example from a shop to a restaurant, he/she must first seek a permit from the URA.<sup>148</sup>

It should be noted that Singapore has another statute relating to construction of building namely Building Control Act (Chapter 29), of which Section 5 stipulates that construction plan must be approved by the Commissioner of Building Control of Building and Construction Authority (BCA), which will also inspect the quality of construction when the building is finished (please see footnote 10 for more detail). Same as URA, BCA is under the Ministry of National Development. Section 7 requires that every construction project must have a qualified person and site supervisor, whose duties are prescribed in Section 9 and Section 10 of the Act respectively. Examples of duties of a qualified person is planning the construction project, ensuring that the plan is carried out according to the Building Control Act (Chapter 29), and reporting to the Commissioner of Building Control immediately if there is any violation, while a site supervisor is responsible for full-time supervision of structural elements.

To conclude, Singapore has limited land resource and thus needs effective land utilization plan. Land laws reflect the strictness and necessity to regulate land in Singapore. For instance, limited foreign ownership over property, the newly-introduced progressive tax rate for residential property, and the Development Guide Plan is designed to be self-contained to avoid congestion in one area. Even though the Thai entrepreneurs wishing to start business in Singapore have restriction on property ownership, they can apply to the Minister of Law for the approval to buy residential properties such as flats or units in condominiums. They shall however bear in mind the

---

<sup>148</sup> Urban Redevelopment Authority (URA), "Guidelines and Procedures,"

<http://www.ura.gov.sg/uol/guidelines/development-control/change-use-premises/sections/change-not-required.aspx>

(Retrieved on February 24, 2015).

expense in the form of tax rate on residential property which is likely to increase in each year.

## 2.6 Labour Laws

Apart from land, another important factor of production that is scarce in Singapore is labour. In 2013, unemployment rate in Singapore was only 2.9%, which is considerably low comparing to its major sources of migrant workers such as the Philippines (6.4%) and Indonesia (6.2%).<sup>149</sup> As already stated in 2.3, the limited number of domestic workers has induced Singapore to welcome a large number of foreign workers into the country. Singapore economy has been highly dependent on foreign workers, which is one of the reasons why labour laws in Singapore treat local and foreign workers equally.<sup>150</sup>

It should be noted that the Employment Act of Singapore does not include those who work as manager or executive with monthly salary higher than \$4,500, and professionals such as medical practitioners, nurses, and architects.<sup>151</sup> This is because their employment circumstances differ from those of regular employees, and often have employment contracts that offer various types of monetary and non-monetary benefits. These are usually better than the minimum standards guaranteed by law, because businesses have to compete in order to attract talents to their organisations – according to the free market economy philosophy practiced in Singapore. Hence, some provisions presented here may not be applicable to foreign workers who hold Employment Pass (EP) with monthly salary higher than \$4,500, and professionals in seven services sectors already presented in 2.1.4 Foreign employment law.

---

<sup>149</sup> ASEAN Secretariat, ASEAN Statistical Yearbook 2014 (Jakarta: ASEAN Secretariat, 2015) 22.

<sup>150</sup> It should be noted that foreign workers who are treated equally as local workers under the law are those who enter and work legally in Singapore. Other laws relating to foreign workers such as immigration law and national security law may treat foreigners differently, depending on the circumstances.

<sup>151</sup> Ministry of Manpower, "Amendments to the Employment Act," <http://www.mom.gov.sg/employment-practices/Pages/amendments-to-the-employment-act.aspx> (Retrieved on February 25, 2015).



This section is divided into three topics namely employment conditions, minimum wage, and right to association and strike.

### **2.6.1 Employment Conditions**

Singapore has a republic act that regulates employment in the country called Employment Act (Chapter 91). Furthermore, there are three subsidiary legislations for each type of worker namely Employment (Part-Time Employees) Regulations 1996 which regulates the employment of part-time workers, Employment (Female Workmen) Regulations which regulates the employment of female workers, and Employment (Children and Young Persons) Regulations which regulates the employment of child workers who are older than 13 but not beyond 16 years old.

Similar to Companies Act (Chapter 50) which is enforced to local workers and foreign workers equally, Employment Act (Chapter 91) sets out rest days, hours of work and employment conditions applicable to both local and foreign workers. However, Employment Act (Chapter 91) only guarantees the minimum rights and welfare, while employment contract and other statutes may offer some privilege to local employees. For example, participation in the Central Provident Fund (CPF) is allowed for Singaporean and Permanent Residents (PRs) only.

The presentation in this part is divided into four topics according to the types of worker – regular, part-time, female, children and young person employment.

#### **(A) Regular workers**

As already mentioned, provisions under is Employment Act (Chapter 91) crucially set out the minimum conditions for employment. Any employment contract which offers the employee less benefit than those stated in the Employment Act shall be void (Section 8). The Act is enforced upon all kinds of employees such as cleaner, construction worker, industrial labourer, as well as train and bus drivers – except workers indicated in Section 2 namely crew, domestic worker, and those in managerial or executive position.

This topic presents the key employment conditions for regular worker: hours of work, rest day, annual leave, leave of absence, sick leave, right to join trade union, termination of contract, and misconduct of employee.

### *Hours of work*

Employment Act forbids workers from working longer than 6 hours consecutively without rest, and no longer than 8 hours a day or 44 hours a week. If working more than 8 hours a day, employees must be allowed at least 45 minutes of rest. Overtime work shall not be more than 72 hours per month.

If an employer wishes employees to work overtime more than 72 hours per month, he/she must apply for overtime exemption from the Minister of Manpower.<sup>152</sup>

It should be noted that if an employee works no longer than 35 hours per week, he/she is considered a part-time worker and shall be subjected to employment conditions under Employment (Part-Time Employees) Regulations 1996, which will be elaborated in (B).

### *Rest day*

Employees must have one rest day per week. A rest day may be Sunday or any other day in the week. In the case of shift work, employees must be given a continuous period of 30 hours for rest in a week. Moreover, all employees are entitled to paid holidays, which are 11 public holidays per year according to Holidays Act 1998 (Chapter 126). If an employer asks employees to work on paid holidays, he/she must compensate the employees with daily wage plus transportation expense.

Employees shall be compensated for working on a rest day according to the rates shown in Table 2.16.

---

<sup>152</sup> Ministry of Manpower, "Hours of Work, Overtime & Rest Days," <http://www.mom.gov.sg/employment-practices/employment-rights-conditions/hours-of-work-and-overtime/Pages/default.aspx#restdays> (Retrieved on February 25, 2015).

Table 2.16 Payment for work on a rest day

Duration of working hour	At the request of employee	At the request of employer
Up to half of normal daily working hour	Half day's salary	1 day's salary
More than half, but not beyond, normal daily working hour	1 day's salary	2 day's salary
Beyond normal daily working hour	1 day's salary + overtime payment (x 1.5 per each hour of overtime work)	2 day's salary + overtime payment (x 1.5 per each hour of overtime work)

***Annual leave***

Section 43 of Employment Act grants the right to 7 days of paid annual leave per year to employees who have base salary (i.e. excluding overtime and bonus payment) of no more than \$4,500, and have worked for the same employer for no less than 3 months. In the first year, annual leave can be taken up to 7 days. Annual leave is increased one day every year until the eighth year of employment, in which the total annual leave is 14 days per year.

***Leave of absence***

Employees must notify the employer when taking a leave of absence. The leave of absence can be counted as a leave without pay, unless the contract says otherwise.

***Sick leave***

Employees who have been in employment for no less than 3 months may take sick leave by notifying, or attempting to notify, the employer within 48 hours after taking the leave, and provide a certificate from the company's doctor or doctor from one of the approved medical institutes. Paid sick leave is divided into two categories according to the type of medical treatment. Hospitalization leave can be taken up to 60 days per year, while non-hospitalization leave can be taken up to 14 days per year (see Table 2.17).

Table 2.17 Sick leave per year for regular workers

Duration of employment	Non –hospitalization leave	Hospitalization leave
3 months and beyond	5 days /year	15 days /year
4 months	8 days /year	30 days /year
5 months	11 days /year	45 days /year
6 months and beyond	14 days /year	60 days /year

*Right to join trade union*

Foreign workers have the right to join registered trade unions in Singapore and participate in trade union activities as stated in Trade Unions Act (Chapter 333).

*Termination of contract*

To terminate an employment contract, a notice shall be given as follows.

(1) One day's notice if the employee has been employed for less than 26 weeks.

(2) One week's notice if the employee has been employed for 26 weeks or more but less than 2 years.

(3) Two weeks' notice if the employee has been employed for 2 years or more but less than 5 years

(4) Four weeks' notice if the employee has been employed for 5 years or more.

Nevertheless, employer and employee may choose to waive their right under this provision. If one of the contracting parties wishes to terminate the contract without notice or without waiting for the notice to expire, he/she shall pay compensation to the other party a sum equal to the amount of salary which would have accrued to the employee during the period of the notice (Section 11).

A contract is considered terminated immediately when the employer refuses to pay employee his/her salary, or if the employee has been absent from work for more than 2 consecutive days without permission to take leave, or attempt to notify the employer. An employee may cancel the contract without giving a notice if he/she believes that such employment will endanger one's self and dependent, and that such

dangerous condition of work is not written in the contract as an aspect of employment (Section 15 of Employment Act).

### ***Misconduct of employee***

Employer may demote or suspend the employee without payment of salary for a period not exceeding one week, on the ground of employee's misconduct. In the case where an employee is dismissed without just cause, he/she may write a complaint to the Minister of Manpower. If the Minister is satisfied that the employee has been dismissed unjustly, he may order the employer to reinstate the employee in the former employment and to pay the employee an amount that is equivalent to the wages that the employee would have earned had he not been dismissed, or pay compensation as the Minister may determine. An employer who fails to comply with the direction of the Minister shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 12 months or to both (Section 14 of Employment Act).

### **(B) Part-time workers**

In Singapore, part-time work means working under an employment contract for no longer than 35 hours per week. Part-time employment contract must specify the condition of work, e.g. wage per hour, hours of work per day or per week, and number of working day per week or per month, and so on.

Rights of part-time workers are similar to those of full-time workers in many cases. For example, entitlement to compensation for the work on rest day, sick leave, and annual leave. Leave and compensation for part-time workers are calculated based on those of the full-time workers.

### ***Hours of work***

No part-time employee shall work longer than 35 hours per week. Contracts for part-time workers must specify hour of work per day or per week in order to calculate the compensation and entitlement of part-time employee.

If employer requests a part-time employee to work longer than the hours specified in the contract, he/she must pay compensation for overtime work no less than

1.5 times of the normal hourly wage. For example, if the hourly wage is \$4.50, the compensation for overtime work will be \$6.75 per hour.

If a part-time employee is paid by month, the overtime payment can be calculated as follows.

$$\text{Wage rate per hour} = \frac{12 \times \text{Wage rate per month}}{52 \times \text{Working hours per week}}$$

### *Rest day*

Same as full-time employee. Compensation for work on a rest day can be calculated as follows.

$$\text{Wage rate per day} = \frac{12 \times \text{Wage rate per month}}{52 \times \text{No. of day part-time employee works per week}}$$

### *Annual leave*

Part-time employees who have been in employment for no less than 3 months are entitled to annual leave with pay. Payment can be calculated as follows.

$$\frac{\text{Hours of work per year of part-timer}}{\text{Hours of work per year of full-timer}} \times \text{No. of annual leave of full-timer} \times \text{Hours of work per day of full-time worker}$$

For example, if a part-time employee has an employment contract of 4 hours per day, 5 days per week, while full-time employees in the same organization work for 8 hours per day, 44 hours per week, and have 7 days of annual leaves per year. Provided that it is the employee's first year of employment, calculation for the number of annual leaves that part-time employee is entitled to will be:

$$\frac{20 \text{ hours} \times 52 \text{ weeks}}{44 \text{ hours} \times 52 \text{ weeks}} \times 7 \text{ days} \times 8 \text{ hours per day} = 25.5 \text{ hours}$$

Therefore, the part-time employee can take up to 25.5 hours of annual leave, and since the part-time employee works 4 hours a day, the number of annual leave is 6 days per year.

If the part-time employee receives wage at \$5 per hour and is entitled to two and a half hours of paid leave, the part-time employee will be paid  $2.5 \times 5 = \$12.50$  for the hours he/she took leave.

### *Sick leave*

A part-time employee who has been in employment for no less than 3 months is entitled to paid sick leave. The number of day a part-time employee may take for sick leave can be calculated as follows.

$$\frac{\text{Hours of work per year of part-timer}}{\text{Hours of work per year of full-timer}} \times \text{No. of sick leave per year of full-timer} \times \text{Hours of work per day of full-timer}$$

For example, if the part-time employee works 4 hours per day, 5 days per week, while the full-time employees in the same organization work for 8 hours per day, 44 hours per week, and are entitled to 14 days of non-hospitalization leave and 60 days of hospitalization leave. The entitlement of the part-time employee to paid sick leave shall be:

$$\frac{20 \text{ hours} \times 52 \text{ weeks}}{44 \text{ hours} \times 52 \text{ weeks}} \times 14 \text{ days} \times 8 \text{ hours} = 50.9 \text{ hours}$$

Therefore, the part-time employee is entitled to 50.9 hours of non-hospitalisation leave per year. Calculation of hospitalization leave can be done as follows.

20 hours x 52 weeks	
_____	x 60 days x 8 hours = 218.2 hours
44 hours x 52 weeks	

Therefore, the part-time employee is entitled to 218.2 hours of hospitalisation leave per year.

Other rights and employment conditions of part-time employee such as leave of absence and the right to join trade union are same as those of full-time employee.

### **(C) Female workers**

Both male and female employees are equally protected under the Employment Act, with exception in the case of pregnant female workers.

#### ***Hours of work***

Employment (Female Workmen) Regulations forbids pregnant employees from working during night time, which refers to the period from 23.00 to 6.00 in the morning of next day, unless the pregnant employees are consent and are certified to be fit for night work by medical officers. The pregnant employees must also submit written notification to the employer and provide the medical certificate.

#### ***Maternity leave***<sup>153</sup>

Employment Act allows 12 weeks of maternity leave for female employees who have been in employment for no less than 3 months before the date of child birth, and already have no more than 2 children (excluding the newborn). It is mandatory for employer to pay the wage during the first 8 weeks of maternity leave, while the remaining 4 weeks are voluntary. The employee may take the 4 weeks of maternity at anytime within 12 months of the date of child birth.

---

<sup>153</sup> Ministry of Manpower, "Maternity Leave," <http://www.mom.gov.sg/employment-practices/leave-and-holidays/Pages/maternity-leave.aspx> (Retrieved on February 25, 2015).



Foreign employees may receive the benefit under Child Development Co-Savings Act (Chapter 38A) which allows female employees to take additional 4 weeks before the birth and another 12 after the birth, i.e. 16 weeks in total. The foreign female employees must fulfill the following conditions:

- (1) The baby has Singaporean citizenship;
- (2) The parents of newborn baby are legally married; and
- (3) The female employee has been in employment for no less than 3 months, or if self-employed, she must have been practicing the profession for no less than 3 months.

In the case of miscarriage, the female employees shall not use maternity leave but may instead take sick leave.

#### **(D) Child workers**

Section 67A of Employment Act defines a "child" as a person who has not completed his 15th year of age, and "young person" as a person who has completed his 15th year of age but who has not completed his 16th year of age. However, Section 3 of Employment (Children and Young Persons) Regulations prohibits employment of a child who is younger than 13 years old. Therefore, the minimum age of work in Singapore is 13. Young persons will become regular workers when they reach the age of 17.

#### ***Hours of work***

Hours of work for child cannot exceed 6 hours per day, and there must be 30 minutes of rest for every 3 hours of work. In the case of young person, the hours of work cannot be longer than 7 hours a day, with 30 minutes of rest for every 4 hours of work.

During term time, the child and young person's working hours, plus their school time, cannot altogether exceed 6 and 7 hours respectively. Additionally, employment of child and young person during night time is prohibited.

Examples of other restrictions on the employment of child and young persons are the ban from working on holidays (Section 9), from working under injurious conditions (Section 10), from working with machineries (Section 12), and from working with electrical apparatus (Section 13).

### 2.6.2 Minimum Wage

Singapore does not have minimum wage. The wage rate shall be negotiated between the employer and employee.<sup>154</sup>

### 2.6.3 Association and Strike

As already mentioned in Chapter 1, the right to association is guaranteed by Singapore's Constitution. However, strict legal enforcement to maintain public order makes it difficult to have a legal strike in Singapore. The last legal strike in Singapore was in 1986, when workers in an American oil company collectively staged a strike.<sup>155</sup> The latest strike in Singapore was in 2012 when bus drivers, most of them are Chinese migrants, held a strike and demanded for higher wage and better working conditions. Nevertheless, that incident was regarded as an illegal strike because it interrupted public service.

There are three statutes relating to association and strike in Singapore namely Industrial Relations Act (Chapter 136), Trade Disputes Act (Chapter 331), and Trade Unions Act (Chapter 333). The presentation in this part is divided into four topics: trade union, strike, lock-out, and dispute settlement.

#### (A) Trade union

As already mentioned, all types of workers under the scope of Employment Act have the right to join registered trade unions and their lawful activities. Section 8 of Trade Unions Act directs every trade union in Singapore to register with the Registrar of Trade Unions under the Ministry of Manpower within one month after it is established. The application for registration shall be signed by at least 7 members of the trade union. The objectives of trade union shall be to to promote good industrial relations between workmen and employers, to improve the working conditions of workmen or enhance

---

<sup>154</sup> Ministry of Manpower, "Salary," <http://www.mom.gov.sg/employment-practices/employment-rights-conditions/salary/Pages/default.aspx> (Retrieved on 8 October 2014).

<sup>155</sup> Chun Han Wong, "Singapore Strike: Full Story," <http://blogs.wsj.com/searealtime/2013/08/31/singapore-strike-the-full-story/> (Retrieved on 8 October 2014).

their economic and social status, and to achieve the raising of productivity for the benefit of workmen, employers and the economy of Singapore.

The main trade union in Singapore is the National Trade Unions Congress (NTUC). It is the central organization covering all trade unions in Singapore in industrial sector, service sector, and public sector, and has more than 830,000 members.<sup>156</sup>

### **(B) Strike**

Section 27 of Trade Unions Act stipulates that registered trade unions shall not commence, promote, organise or finance any strike or any form of industrial action<sup>157</sup> affecting the whole or any section of its members without obtaining the consent, by secret ballot, of the majority of the members so affected. Therefore, Section 27 defines illegal strike as a strike which does not have consent from the majority of members in the trade union. Any trade union contravenes Section 27 shall be liable to a fine not exceeding \$3,000.

### **(C) Lock out**

Section 2 of the Trade Dispute Act (Chapter 331) defines "lock out" as "the closing of a place of employment or the suspension of work, or the refusal by an employer to continue to employ any number of persons employed by him in consequence of a trade dispute, done with a view to compelling those persons, or to aid another employer in compelling persons employed by him to accept terms or conditions of or affecting employment."

---

<sup>156</sup> National Trade Unions Congress (NTUC), "About NTUC," [http://www.ntuc.org.sg/wps/portal/up2/home/aboutntuc/!ut/p/a1/04\\_Sj9CPykssy0xPLMnMz0vMAfGjzOJNA4w9Xd08jAz8g5wNDDx93S2Dgv0Mjif2DjYAKIoEKDHAARwNC-sP1o8BK8JhQkBthkO6oqAgAzgVEow!!/dl5/d5/L2dJQSEvUUt3QS80SmlFL1o2XzVQM0IFRkgyME9GSjEwSTZBNUU3UkQwR1Ez/](http://www.ntuc.org.sg/wps/portal/up2/home/aboutntuc/!ut/p/a1/04_Sj9CPykssy0xPLMnMz0vMAfGjzOJNA4w9Xd08jAz8g5wNDDx93S2Dgv0Mjif2DjYAKIoEKDHAARwNC-sP1o8BK8JhQkBthkO6oqAgAzgVEow!!/dl5/d5/L2dJQSEvUUt3QS80SmlFL1o2XzVQM0IFRkgyME9GSjEwSTZBNUU3UkQwR1Ez/) (Retrieved on February 26, 2015).

<sup>157</sup> Section 27 (15) defines "Industrial action" as "the adoption of any practice, procedure or method in the performance of work which would result in a limitation on output or production in any occupation, service, trade, industry or business."

The Act in effect makes it almost impossible to have a legal lock out or industrial actions in Singapore. This is because Section 3 defines illegal lock out and industrial action as ones designed or calculated to coerce the Government either directly or by inflicting hardship on the community.<sup>158</sup> The provision makes it almost impossible to start any legal lock out in Singapore, because one disruption in a small-size island state can have high possibility to affect the rest of the community.

Staging an illegal lock out, as stated in Section 3, may result in a fine not exceeding \$5,000, or an imprisonment of up to 6 months, or both. An illegal industrial action may result in a fine not exceeding \$2,000, an imprisonment of up to 6 months, or both.

#### **(D) Labour Dispute settlement**

Industrial Relations Act (Chapter 136) was enacted in order to regulate the employer-employee relations, prevention and settlement of trade disputes by collective bargaining. The Industrial Arbitration Court was established under this Act and was presided over by a President, who is appointed by the President of Singapore and has the same privileges as the Supreme Court Judges. The President of Industrial Arbitration Court arbitrates or settles the disputes between employers and employees. The Industrial Arbitration Court may dismiss the trade dispute if it appears that it is not in the public interest (Section 61). However, the Attorney-General may intervene if the

---

<sup>158</sup> Section 3.—(1) An industrial action shall be illegal if —

- (a) it has any other object than the furtherance of a trade dispute within the trade or industry in which the persons taking part in the industrial action are engaged;
  - (b) it is in furtherance of a trade dispute of which an Industrial Arbitration Court has cognizance; or
  - (c) it is designed or calculated to coerce the Government either directly or by inflicting hardship on the community. [23/81]
- (2) A lock-out shall be illegal if —
- (a) it has any other object than the furtherance of a trade dispute within the trade or industry in which the employers locking out are engaged;
  - (b) it is in furtherance of a trade dispute of which an Industrial Arbitration Court has cognizance; or
  - (c) it is designed or calculated to coerce the Government either directly or by inflicting hardship on the community.

dispute cognizanced by the Industrial Arbitration Court is deemed significant to the society (Section 63).

It should be noted that a trade union of employees must be recognised by the employer before it is able to invite the employer to settle dispute between them. Furthermore, trade union which wants to represent employees who are in managerial or executive positions may be refused to do so by the employer (Section 30A). This is because those in the managerial or executive positions often have the authority and function that can affect the performance of employees under their line of command.

To conclude, labour laws in Singapore protect both local and foreign workers equally by offering several entitlements and benefits under the Employment Act. Moreover, the subsidiary legislations also provide protection over part-time, children, young persons, and pregnant workers. Even though the statutes are quite generous towards labour rights such as annual leave, sick leave, and the right to join trade union, the right of workers to organize a strike and any form of industrial actions as a result of industrial dispute are limited and at risk of violating the law. This is because Singapore is a small island country and thus a small incident of protest or strike in public service can cause damage to the whole nation.

## **2.7 Intellectual Property Laws**

Singapore is a member of the World Trade Organization (WTO) and a signatory of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs). Singapore is also a signatory to various international agreements; for example, the Paris Convention for the Protection of Industrial Property (also known as the Paris Convention), the Berne Convention for the Protection of Literary and Artistic Works (the Berne Convention), the Patent Cooperation Treaty, the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (the Madrid Protocol), and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure (the Budapest Treaty). Furthermore, during the past few years, Singapore has participated in a number of free trade agreements that include provisions about intellectual property rights.

Singapore has amended its domestic laws and regulations concerning the protection of intellectual property rights (IPR) in order to conform to the international standards. The protection of intellectual property rights in Singapore is regulated by a number of statutes. In this section, four legislations relating to intellectual property rights will be presented. They are Patents Act (Chapter 221), Copyright Act (Chapter 63), Registered Designs Act (Chapter 226), and Trade Marks Act (Chapter 332). The presentation in this section will therefore be divided into four topics following the legislations, i.e. patents, copy rights, registered designs, and trade marks.

### **2.7.1 Patents**

The legislation concerning the protection of patents in Singapore is Patents Act (Chapter 221). The Act promotes and protects the registration of patents for inventions in Singapore. Only inventions concerning products and production processes may apply for patents. Patentable inventions must satisfy the following three conditions.

- a) The invention is new.
- b) It involves an inventive step.
- c) It is capable of industrial application.

A patent is valid on the day its application was accepted and publicised in the Acknowledgement Letter. The validity of a patent is 20 years from the date of application.

#### ***Applying for a patent***

In general, applicants who do not reside in Singapore are eligible to file the applications for patents, provided that they have local representatives in Singapore who will contact the Intellectual Property Office of Singapore (IPOS), which is the main agency responsible for patent registration in Singapore. Overseas applications under

international agreements may be submitted to the Registrar of Patents, provided that the applicants are the citizens or permanent residents of Singapore.<sup>159</sup>

Nevertheless, since Thailand is also a signatory to the Patent Cooperation Treaty (PCT),<sup>160</sup> Thai natural or legal persons can file applications under the international agreement to the Department of Intellectual Property in Thailand, without going through agencies in other countries.

Application procedure through PCT system starts when an inventor who wishes to apply for patent protection in many countries, provided that these countries are PCT signatories states, submit his/her patent application to the receiving office. The application form must state the name of the countries he/she seek protection over the patent.

Afterwards the application will be reviewed and checked for correctness and completion of both the application form and all supporting documents. The International Searching Authority will verify the legal status of the patent application by checking with the available database worldwide. Then, international preliminary examination is followed. This is to check the originality and applicability to the industry of the invention (it should be noted that the applicant and member state may choose not to go through the international preliminary examination).

After the international preliminary examination, the inventor shall decide whether to continue with the application. If yes, the application shall be forwarded to the intellectual property office of member state to which the application was submitted. The intellectual property office will then have a final review and determine whether to issue

---

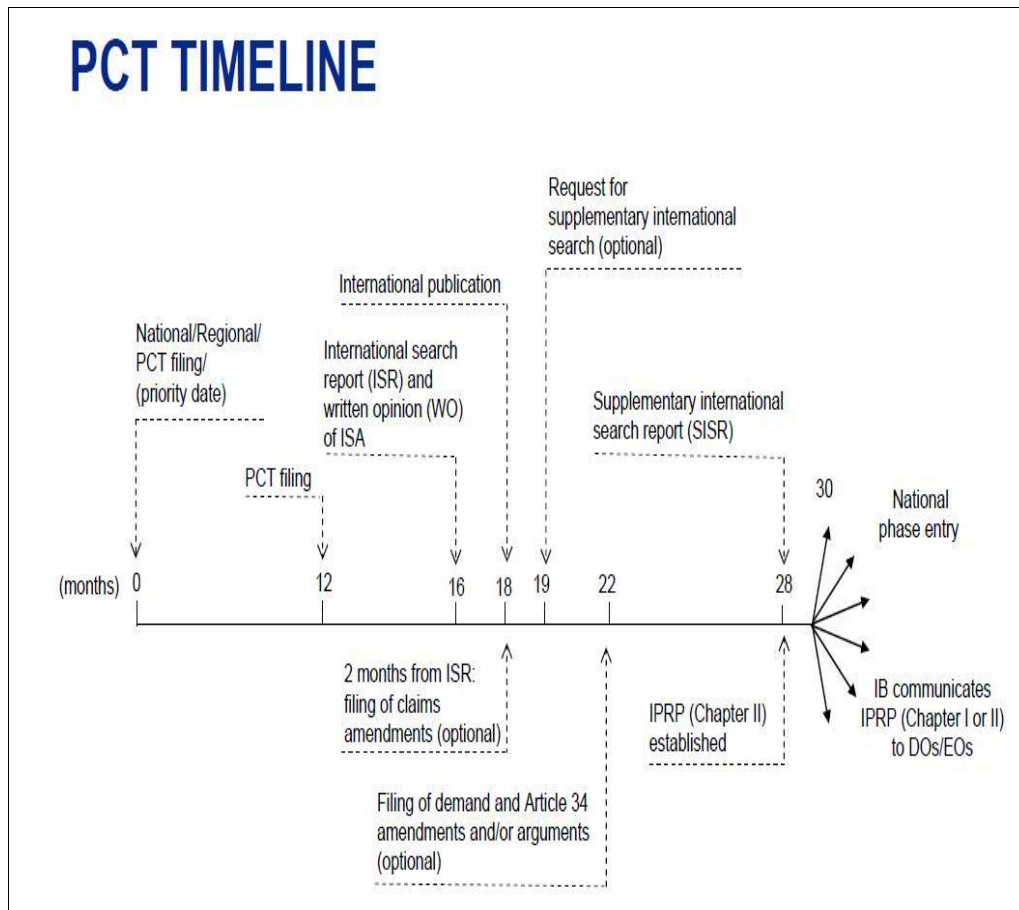
<sup>159</sup> Department of Intellectual Property, Ministry of Commerce, "กฎหมายสิทธิบัตร สาธารณรัฐสิงคโปร์ [Law relating to patent: Singapore],"

[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on November 15, 2014).

<sup>160</sup> PCT is a multilateral treaty on international cooperation on patents. The objective of PCT is to establish a unified procedure for filing patent applications to avoid overlapping in the initial process of patent application in each of its contracting states.

the patent for the invention, or to reject the application. The decision of intellectual property office in each contracting state is independent from one another (See Figure 2.3).

Figure 2.3 Procedure of patent application through PCT



Source: Idea Protection, <http://ideaprotection.co.uk/patent-terms/>

Details of the invention applied for a patent must contain the specification of the invention, claim, referred drawings of the specification or claim, and the summary of the invention. After filing the application, IPOS have an initial review of the application. After 18 months from the date of submitting the application or the date when the application was first submitted, the patent application will be published in the Patent Gazette. After receiving the initial report, the applicant may then file a request to examine the invention within 28 months after priority document or patent application was filed. The application procedure may be extended for no longer than 3 months.



### *Preserving the right*

The patentees must pay annual fee to preserve their rights over the patents. The first annual fee may be paid before the end of the fourth year of the patents validity period (starting from the date of filing application). The payment at the end of the fourth year will make the patent valid from the fourth to the fifth year. Afterward, the patentees have to pay the annual fee before the end of that year. Nevertheless, the law allows the payment to be made within 6 months of the due date, subjected to extra fee (see Table 2.18).

Table 2.18 Patent annual fee rates

Year	Annual fee rate(\$)
5th – 7th	140
8th – 10th	270
11th – 13th	350
14th – 16th	490
17th – 19th	600
20th	710
From 20th onwards	950

It should be noted that late payment done within one month is subjected to additional fee of \$50. If the annual patent fee was not paid within one month (but not exceeding 6 months), the late payment will be \$100 per month.<sup>161</sup>

### *Revoking the right*

Section 80 of Patents Act (Chapter 221) empowers the Registrar to revoke a patent for an invention on any of the following grounds:

- a) the invention is not a patentable invention;
- b) the patent was granted to a person who was not entitled to be granted that patent;

<sup>161</sup> Intellectual Property Office of Singapore, "Patents: forms and fees,"

<http://www.ipos.gov.sg/Services/FilingandRegistration/FormsandFees/Patents.aspx> (Retrieved on February 23, 2015).

- c) the specification of the patent does not disclose the invention clearly and completely for it to be performed by a person skilled in the art;
- d) the matter disclosed in the specification of the patent extends beyond that disclosed;
- e) an amendment or a correction has been made to the specification which should not have been allowed;
- f) the applicant did not inform the Registrar about the same patent application filed overseas, on any misrepresentation, or fraudulently;
- g) the license was granted by misunderstanding.

#### *Transferring the patent*

The patent of invention may be transferred without informing or registering to the IPOS. In practice, however, it is in the interest of the transferee to inform and register with the IPOS. Otherwise, the transfer contract will not have binding effect on third party (Section 47 and Section 48).

#### *Licensing the right to use the patent*

The patentee may allow the licences under the patent available to other people (Section 53). The law does not specify that the contract to grant licences under the patent must be informed and registered with the IPOS in order to become enforceable. Nevertheless, the licensee should inform and register with the authority in order for the contract to have binding effect on third party, or the in the case where the licensee is unaware whether the patent has been licensed before.

Furthermore, the Patents Act (Chapter 221) specifies the right to patent by enforcement which will be applied in cases where the patented inventions are short of supply, or cannot be provided domestically within an appropriate timing. The law also allows the government to use the patented inventions for the benefit of the government agencies, for national security reasons, or for non-profit public interests. However, such activities shall not violate the right of other persons or adversely affect the proprietor of the patent (Section 56 (1) (a) and Section 56 (1) (b)).

### *Enforcing the right*

The Patents Act (Chapter 221) stipulates that a person infringes a patent for an invention if, but only if, while the patent is in force, he does any of the following things in Singapore in relation to the invention without the consent of the proprietor of the patent (Section 55):

- a) where the invention is a product, he makes, disposes of, offers to dispose of, uses or imports the product or keeps it whether for disposal or otherwise;
- b) where the invention is a process, he uses the process or he offers it for use in Singapore when he knows, or it is obvious to a reasonable person in the circumstances, that its use without the consent of the proprietor would be an infringement of the patent;
- c) where the invention is a process, he disposes of, offers to dispose of, uses or imports any product obtained directly by means of that process or keeps any such product whether for disposal or otherwise.

### **2.7.2 Copyright**

Singapore has enforced Copyright Act (Chapter 63) since 1995. There is no registration or database of copyrights as the protection of copyrights is automatically enforced under the Copyright Act (Chapter 63), which covers the citizens and permanent residents of Singapore, as well as the citizens and permanent residents of WTO members, and the Berne Convention signatories.

### *Scope of protection*

According to Copyright Act (Chapter 63), protected copyright works include literary work, dramatic work, musical work, artistic works, published editions, sound recording, films, television and radio broadcasts, cable programmes, performances. Different types of copyright work have different terms of protection as follows.<sup>162</sup>

---

<sup>162</sup> Intellectual Property Office of Singapore, "What is copyright?,"

<http://www.ipos.gov.sg/AboutIP/TypesofIP/WhatIsIntellectualProperty/Whatiscopyright.aspx> (Retrieved on February 23, 2015).

- Literary, dramatic, musical and artistic works have a term of protection for 70 years from the end of the year in which the author died.
- Published editions of literary, dramatic, musical or artistic works have 25 years from the end of the year in which the edition was first published.
- Sound recordings and films are protected for a term of 70 years from the end of the year in which the sound recording or film was first published.
- Broadcasts and cable programmes are protected for 50 years from the end of the year of making the broadcast or cable programme.
- Performances are protected for 70 years from the end of the year of the performance.

### *Rights of copyright owner*

The owners of literary, dramatic, musical and artistic works have the sole rights of to reproduce the works, to communicate or perform the unpublicized works to the public, to broadcast, to input the works in cable programme, to adapt the works, or any of the above actions concerning the adapted works.

The copyright owner of the artistic work has the sole right to reproduce in any form, communicate or perform the unpublicized works to the public, and broadcast the work. The copyright owner of sound recording has the exclusive right to make a copy, rent out, publish if the sound recording is unpublished, and make available to the public a sound recording by means or as part of a digital audio transmission.

The broadcaster of television and radio enjoys the exclusive rights to make record, rebroadcast and communicate the broadcast to the public.<sup>163</sup>

### *Enforcement*

Copyright Act stipulates that an infringement, either direct or indirect manner, has happened as a result of the following actions:

---

<sup>163</sup> Ibid.

- a) *Direct infringement: any form reproduction, performance, exhibition, distribution to the public, broadcasting through cable whole or any part of the work, either in the original form or in the form of derivative works, and importation of the copyright works for commercial purposes without permission of the owners.*
- b) *Indirect infringement: produce, lease, offer for purchase, and distribute copies of the violated copyrights work.*

When infringement occurs, the copyright owner may ask for compensation by filing a complaint for civil or criminal lawsuit to the Court. He/she must be able to prove the damage occurring from the lost of sale or the expected sale. The offences could be in fine or imprisonment, or both – subjected the the type of offence. Nevertheless, since Singapore does not have a copyright agency that is responsible for copyrights protection, the offences can be reported to the police or filed directly to the High Court.<sup>164</sup>

### 2.7.3 Registered Designs

A statute concerning the registered designs in Singapore is Registered Designs Act (Chapter 266) which has been enforced since 2000. A natural or legal person may file an application to register designs with the IPOS. The registered designed is protected for 15 years maximum. The protection automatically starts from the date of registration and lasts for 5 years, and is eligible for extention twice, for 5 years each time (Section 21 (1) and Section 21 (2)).

#### *Scope of protection*

Designs protected under this Act include features of shape, configuration, pattern or ornament applied to an article by any industrial process. The following designs, however, cannot be registered:

---

<sup>164</sup> Department of Intellectual Property, Ministry of Commerce, “กฎหมายลิขสิทธิ์ สาธารณรัฐสิงคโปร์ [Law relating to copyright: Singapore],” [http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on November 15, 2014).

- a) Methods or principles of construction; or
- b) Features of shapes which –
  - are dictated solely by the function which the article has to perform (the 'functionality' exclusion).
  - are dependent upon the appearance of another article, of which it is intended by the designer to form an integral part (the 'must match' exclusion).
  - enable the article to be connected to, or placed in, around or against, another article so that either article may perform its function.

A design for which an application for registration is made must be new; however, the following designs shall not be regarded as new (Section 5):

- a) registered in respect of the same or any other article in pursuance of a prior application; or
- b) published in Singapore or elsewhere in respect of the same or any other article before the date of the first-mentioned application; or
- c) differs from such a design only in immaterial details or in features which are variants commonly used in the trade.

#### ***Rights of the owner of registered design***

The owners of registered designs have exclusive rights to make in Singapore or import into Singapore for sale or hire, or for use for the purpose of trade or business. Furthermore, the registered owners have the rights to sell, hire, or offer or expose for sale or hire, in Singapore, any article in respect of which the design is registered.

Moreover, the registered owners are able to transfer the rights in the registered designs, as well as permit the use of registered designs (Section 30).

#### ***Enforcement***

Infringement of registered designs means any act which violates the exclusive rights of the registered owners without permission, including:

- a) Certain preparatory acts, for example, making something that enables the infringing article to be made, or the making of design which contain minor different details in Singapore or elsewhere.
- b) Any acts concerning the equipments, for example, a set of equipments (either complete or nearly complete) used for assembling infringing articles.
- c) Any acts which facilitate the assembling of infringing articles in Singapore or elsewhere, if the assembling parts involve the registered designs or designs which only differ in minor respects from the registered designs.

When infringement occurs or about to occur, the registered owners may ask the court to order the defendants to stop doing such infringement actions. However, no proceedings shall be taken for an infringement of a registered design committed before the date on which the certificate of registration of the design is issued.

Moreover, the registered owners may sue for damage if he/she can prove that the damage was a result of lost of sale, or expected sale.<sup>165</sup>

#### **2.7.4 Trade Marks**

The legislation concerning trade mark in Singapore is Trade Marks Act (Chapter 332) which was introduced in 1999. Trade marks protected under this Act must be registered with the IPOS. After the license was granted, the trade mark will be protected for 10 years from the date of submitting the application, and may be renewed for a period of 10 years. A request for renewal shall be made not later than 6 months after the date of expiry of the registration (Section 18 and Section 19).

##### ***Scope of protection***

Trade marks protected under this Act include:

---

<sup>165</sup> Department of Intellectual Property, Ministry of Commerce. "กฎหมายการออกแบบผลิตภัณฑ์ สาธารณรัฐสิงคโปร์ [Law relating to registered design: Singapore]."

[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on 15 November 2014). Intellectual Property Office of Singapore, "What is a registered design?,"

<http://www.ipos.gov.sg/AboutIP/TypesofIP/WhatIsIntellectualProperty/WhatIsaregistereddesign.aspx> (Retrieved on February 23, 2015).

- a) Trade mark means any sign capable of being represented graphically and which is capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person;
- b) Sign includes any letter, word, name, signature, numeral, device, brand, heading, label, ticket, shape, colour, aspect of packaging or any combination thereof;
- c) Service mark (no definition provided in the Act);
- d) Collective mark means a sign used, or intended to be used, in relation to goods or services dealt with or provided in the course of trade by members of an association to distinguish those goods or services from goods or services so dealt with or provided by persons who are not members of the association;
- e) A certification mark is a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade; and certified by the proprietor of the certification mark in relation to origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics, from other goods or services dealt with or provided in the course of trade but not so certified.

#### ***Rights conferred by registered trade mark***

The proprietor of a registered trade mark has the exclusive rights to use the trade mark to produce and sale the registered goods and services, and to restrict others from using the registered trade marks, as well as to transfer and authorize others to use the registered trade marks or specific or unspecific purposes (Section 26).

Concerning parties have the rights to file a petition to the Court to revoke the registration of trade marks within the period of 5 years following the date of completion of the registration procedure (Section 22).



### ***Enforcement***

Infringement occurs when there is unauthorised use in the course of trade of an identical/similar mark in relation to identical/similar goods or services, where such use is likely to confuse the public or unauthorized by the proprietor of registered trade mark.

The proprietor of registered trade mark may file to the High Court of Singapore civil or criminal proceedings include an injunction, either damages or an account of profits, an order for delivery up and/or disposal of infringing articles in relation to the registered design.<sup>166</sup>

## **2.8 Dispute settlement mechanism**

Dispute settlement mechanisms may be categorized into two types. First is the usual dispute settlement through Courts, which was already explained in Chapter 1. Another type is Alternative dispute resolution (ADR) which refers to the settlement of dispute outside the Courts. This can be divided into two forms: negotiation and mediation, and arbitration.

### **2.8.1 Negotiation and mediation**

Negotiation may be chosen if the conflicting parties agree to negotiate without a third party to save time and cost. If the negotiating parties cannot reach an agreement, a third party may be invited to facilitate the negotiation or mediate between the two parties. The invited third party does not have the power to decide for or force either party to come to an agreement. Eventually if the agreement cannot be reached, arbitration may be adopted to empower the third party, who is approved by both parties, the ruling power. The conflicting parties may agree to choose or not choose any dispute resolution mechanism.

---

<sup>166</sup> Department of Intellectual Property, Ministry of Commerce, "กฎหมายเครื่องหมายการค้า สาธารณรัฐสิงคโปร์ [Law relating to trade mark: Singapore]," [http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on November 15, 2014).

Singapore is a country with advanced mediation system as the country strives to reduce cost and facilitate the businesses in Singapore. At present, Singapore has two mediation centres called Singapore Mediation Centre (SIM) and Singapore International Mediation Centre (SIMC). Both are non-governmental, non-profit entities. SIMC was founded in 2014 to offer mediation services for disputes concerning international businesses. This helps by avoiding court proceeding which incurs high cost due to conflict of law. Mediation is thus an alternative that can save cost for the parties. Both centres have a number of experienced specialists in mediation to provide services.

Although Singapore does not have a statute directly concerning mediation, Section 16 of International Arbitration Act, which will be elaborated later, dictates that in the case where an agreement provides for the appointment of a conciliator to settle a dispute, but as the dispute occurs, the appointment is not made within the time specified in the agreement or, if no time is so specified, within a reasonable time of being requested by any party to the agreement to make the appointment, the Chairman for the time being of the Singapore International Arbitration Centre may, on the application of any party to the agreement, appoint a conciliator.

### **2.8.2 Arbitration**

Arbitration is a means to settle dispute arising from business contracts which involve government or state-owned enterprises which are contractors to private businesses. Arbitration has been conducted in many countries to shorten and clarify the dispute settlement process and guideline. Because arbitration system does not entirely depend on the justice system in each country – of which procedure and principle may vary – but allows the signatories to select the laws and institutions suitable for their possible business disputes, it is an alternative that benefits all contract parties.

In terms of arbitration, Singapore has one of the most advanced system in the Southeast Asian region, and one of the most advanced in Asia after Hong Kong.<sup>167</sup> The

---

<sup>167</sup> Damian Sturzaker, "Arbitration in Asia," <http://www.mediate.com/articles/sturzakerd.cfm> (accessed on 20 October 2014).

Singapore International Arbitration Centre (SIAC) offers credible arbitration services for both domestic and international businesses which specify to use the SIAC to settle their disputes in their contracts.

Arbitration in Singapore can be divided into two types: domestic arbitration and international arbitration. Hence, Singapore has two statutes concerning arbitration: Arbitration Act, and International Arbitration Act.

The two arbitration legislations have contents similar to what is written in the UNCITRAL Model Law on International Commercial Arbitration. Section 3 of International Arbitration Act states that the Model Law, except Chapter VIII Law Enforcement, shall have the force of law in Singapore. Singapore chose to adopt the Convention on the Recognition and Enforcement of Foreign Arbitral Awards or New York Convention 1958, which dictates that the signatories of the Convention shall accept the decision of international arbitration as written in the contract between businesses in the the signatory states.

The domestic and international arbitration laws heavily rely on the Model Law, and thus contain similar contents. Differences can be found in minor detail such as the right to appeal against award – which is not allowed in the case of international arbitration because International Arbitration Act is silent on this matter, while Section 49 of Arbitration Act stipulates that the signatories may appeal to the High Court or the Court of Appeal if it is believed that there is a mistake in the decision of the arbitral tribunal.<sup>168</sup>

Since this study focuses on the laws that have effects on Thai nationals, the International Arbitration Act will then be explored. The Arbitration Act will be referred to only as a comparison if there is a difference between the two legislations.

---

<sup>168</sup> Singapore Chamber of Maritime Arbitration, "The International Arbitration Act of Singapore," [http://www.scma.org.sg/pdf/rules\\_iaa.pdf](http://www.scma.org.sg/pdf/rules_iaa.pdf) (Retrieved on December 24, 2015).

### *Overall principle*

When a dispute arises, the International Arbitration (Amendment) Act 2001 (Chapter 143A) will be automatically enforced when the business contract states that dispute shall be settled by international arbitration. The signatories may mutually agree to opt out of the International Arbitration Act if they consider it to be unfit to their interests.

Singapore applies the doctrine of separability which means that the arbitration agreement as a part of the business contract will be enforceable even though other provisions become void. Moreover, Singapore also enforces a rather strict rule that allows the court to consider an order to stay the proceeding if asked by one of the signatories. That is, the court will continue the proceeding only when the contract is void or inoperative (Section 6). The court may, for the purpose of preserving the rights of parties, make such interim or supplementary orders as it may think fit in relation to any property which is the subject of the dispute to which the order under that subsection relates.

### *Composition of an arbitration*

If the number of arbitrators is not stated in the contract, there shall be a single arbitrator (Section 9). In an arbitration with 3 arbitrators, if the contract does not specify the source of arbitrators, each party shall appoint one arbitrator, and the parties shall by agreement appoint the third arbitrator. Where the parties fail to agree on the appointment of the third arbitrator, the appointment shall be made by SIAC President (Section 9A).

### *Power of arbitral tribunal*

Arbitral tribunal has a large scope of authority in deciding about dispute settlement. For example, if the case where a claimant does not file a statement of claim, the arbitrator may stop the process. However, the parties can still request a new arbitration. On the contrary, if the respondent does not submit a statement of defend, the arbitral tribunal must continue the procedure. If a party does not appear to give a statement or submit document as evidence, the arbitral tribunal may review the case with all the evidences at hands. Moreover, in the case where the claimant delays the case which may adversely affect the respondent or the fair decision, the international

arbitral tribunal cannot terminate the proceeding. This is distinct from the domestic arbitration which may do so as empowered by Section 29 (3) of Arbitration Act.

When considering a dispute arising from business contract, the arbitral tribunal may make more than one award at different points in time during the arbitral proceedings on different aspects of the matters to be determined (Section 19A). However, upon an award being made, the arbitral tribunal shall not amend or revoke the award – except when requested by one of the conflicting parties. In such case, the arbitral tribunal (1) correct errors such as typographical error or miscalculation, (2) make an additional award in the case where the award is incomplete because it does not cover all the claims, or (3) reinterpret the award to clarify doubts from both parties. This is according to Article 33 of the UNCITRAL Model Law, which is enforced in Singapore by Section 3 of the International Arbitration Act, as already mentioned.

#### ***Appeal on ruling of jurisdiction***

An arbitral tribunal may rule on a plea that it has no jurisdiction at any stage of the arbitral proceedings. In such case, any party may raise the issue within 30 days after having received notice of that ruling, to the High Court to decide whether the case is appealable. There shall be no appeal against a refusal for grant of leave of the High Court (Section 10 of the International Arbitration Act).

#### ***Reviewing the award***

Section 19B of the International Arbitration Act stipulates that an award made by the arbitral tribunal pursuant to an arbitration agreement is final and binding on the parties, except when the Court orders to set aside the award for reasons written in Article 34 of the UNCITRAL Model Law. Examples of the reasons are the arbitration agreement is not valid under the law of the parties, the award deals with a dispute not contemplated by or not falling within the terms of the submission to arbitration, the party making the application was not given proper notice of the appointment of an arbitrator or of the arbitral proceedings, the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties, the subject-matter of the dispute is not capable of settlement by arbitration under the law of the signatories,

or the award is in conflict with public interest. An application for setting aside must be made within 3 months after receiving the award.

### *Foreign arbitral awards*

Because Singapore is a signatory of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards New York 1958. Any decision made by the arbitration in party states (including Thailand) is also enforceable in Singapore in the same manner as the decision of the arbitration in Singapore. The decision, however, must be translated into English language. In a similar vein, the decision of the arbitration in Singapore is enforceable in Thailand as well.

The proceedings in which a person seeks to enforce a foreign award is similar to Section 30 of the International Arbitration Act, as well as the filing of application to the court to revoke the award within 14 days as dictated in Article 33 and Article 34 of the UNCITRAL Model Law. Section 31 of International Arbitration Act specifies the case when the Court may order to set aside a foreign award, for example, the award has been set aside or suspended by a competent authority of foreign country, the arbitration agreement is not valid under the law to which the parties have subjected it, the award is not yet binding or likely to be contrary to the interest of Singapore.

International Arbitration Act allows the parties to use an alternative in enforcing the award in other countries beside the Convention on the Recognition and Enforcement of Foreign Arbitral Awards New York 1958. For instance, the Reciprocal Enforcement of Commonwealth Judgments Act stipulates that the decision of arbitration in the Commonwealth such as United Kingdom, Malaysia, Australia, New Zealand, India, Brunei, and Hong Kong is enforceable in Singapore automatically.

## **Conclusion**

Singapore is quite open for foreigners to invest and work in the country. Both locals and foreigners are subjected to the same laws related to trade and investment. There are only five services sectors still restricting foreign investment. Moreover, Singapore offers many attractive incentives for foreign investors, for example, zero export duty and the lowest rate of income tax among Asian nations.

Nevertheless, Singapore is a small island state with limited natural and human resources, both of which are important factors of production. These limitations led to the country's rather liberal policy toward foreign workers, especially the high-skilled and professionals. Those who meet all the competency requirements may enter to work in Singapore without nationality restriction, as well as own some types of residential property. Furthermore, dispute settlement mechanism in Singapore is widely recognized as being efficient and meeting international standard. Therefore, Singapore is another country that Thai investors and entrepreneurs shall consider conducting businesses.

In the next chapter, the state agencies with relevant authorities will be presented to facilitate the Thai investors and entrepreneurs in properly and legally starting a business in Singapore.





## Chapter 3

### State agencies with relevant authority

As mentioned in Chapter 1 that Singapore has highly effective legislative system and enforcement. As discussed in Chapter 2, Singapore has state agencies which play crucial role in regulating trade and investment and enforcing laws and regulations to be effectively. Thai investors who see an opportunity to invest in Singapore should study the relevant agencies who they need to contact in each step of doing business and investing in Singapore. Some guidelines of these steps are as follows.

Step 1 check the current trade and investment policies of Singapore with the Ministry of Trade and Industry (MTI), and study the strategy and plan of business development of the Economic Development Board (EDB) to learn which businesses Singapore is interested in or currently giving special support, in order to increase the chance of success.

Step 2 after deciding to do business in Singapore and having a stable business plan, the investors shall contact the Accounting and Corporate Regulatory Authority (ACRA) to register their businesses, and may find a public accountant registered with the ACRA to help auditing the companies' finances according to the laws and standards of Singapore. This is to prevent a mistake in business and avoid violation of law unknowingly as Singapore strictly enforces its laws.

Step 3 contact the agencies in relation to factors of production needed in the business as follows

- Land: check with the Urban Redevelopment Authority (URA) about the location of the desired office, i.e. what are the conditions of buying and ownership. For Thai investors who are interested to buy a residential property, contact Singapore Land Authority (SLA).
- Labour: contact Ministry of Manpower (MOM) to check the employment conditions. To bring foreign workers to work in Singapore, also contact Immigration and Checkpoints Authority (ICA).

- Capital: check with the Monetary Authority of Singapore (MAS) about regulations concerning the bringing of money in and out of Singapore, and check tax payment with the Inland Revenue Authority of Singapore (IRAS). If the interested businesses are among the sectors with foreign investment restriction, contact the responsible agencies such as the Media Development Authority (MDA), Infocomm Development Authority of Singapore (IDA), and so on.
- Technology: check the intellectual property rights which are intended to be used in the business in order to prevent infringement of those rights, or to register the intellectual property with the Intellectual Property Office of Singapore (IPOS).
- Raw material and product: follow the import and export regulations with the Singapore Customs (SC) and ICA in order to ensure that the imported products or equipments for business are not against the laws in Singapore. Consulting the IRAS about relevant taxes and duties is also recommended.

If dispute arises from conducting business in Singapore, contact Singapore International Arbitration Center (SIAC) to settle the dispute immediately. It may be helpful to contact the Royal Thai Embassy in Singapore for consultation in each step.

Chapter 3 presents 14 state agencies concerning trade and investment in Singapore which have authority to enforce the laws presented Chapter 2. The presentation is by alphabetical order to facilitate the search in case where some steps, such as buying a land to establish an office or importing products, are not relevant to some investors.

Each state agency is presented in terms of their structures and powers, as well as official websites in order to increase understanding about such agencies, and to facilitate the investors to contact the relevant authorities.

### 3.1 Accounting and Corporate Regulatory Authority (ACRA)<sup>169</sup>

The Accounting and Corporate Regulatory Authority (ACRA) is the national regulator of business entities and public accountants in Singapore. ACRA also plays the role of a facilitator for the development of business entities and the public accountancy profession. The ACRA, a statutory board under supervision of Ministry of Finance, was established on 1 April 2004 by bringing together the Registry of Companies and Businesses (RCB) and Public Accountants' Board (PAB) which were responsible for business registration and accountancy profession regulation respectively.

#### 3.1.1 Structure of ACRA

ACRA comprises of specialists, scholars, and representatives from public and private sectors. Section 5 of Accounting and Corporate Regulatory Authority Act (Chapter 2A), the law establishing the ACRA, stipulates that ACRA shall comprises of members who are appointed by the Minister of Finance as follows:

- 1) a Chairman; and
- 2) not less than ten but not more than 15 other members.

The members appointed under subsection 2) must include –

(a) one public accountant to be selected by the Minister from a list of at least two public accountants nominated by the designated professional accountancy body; and

(b) one non-practising accountant to be selected by the Minister from a list of at least two non-practising accountants nominated by the designated professional accountancy body.

The Minister of Finance may appoint a member of the Authority to be its Deputy Chairman as the acting Chief Executive in special case. In the case where the Minister

---

<sup>169</sup> For more information, please visit <https://www.acra.gov.sg/>

does not make an appointment, any person may act as Temporary Charman on behalf of the Chairman. At present, there are totally 16 members of ACRA.

### 3.1.2 Functions and Duties of ACRA

There are six functions of ACRA as in the followings:

1) to administer in respect of the written laws as follows –

(a) Accounting and Corporate Regulatory Authority Act (Chapter 2A)

(b) Accountants Act (Chapter 2)

(c) Business Registration Act (Chapter 32)

(d) Companies Act (Chapter 50)

(e) Limited Liability Partnerships Act (Chapter 163A)

(f) Limited Partnerships Act 2008 (Act 37 of 2008);

2) to report and make recommendations to, and advise the Government on, matters relating to the registration and regulation of business entities and public accountants;

3) to establish and administer a repository of documents and information relating to business entities and public accountants and to provide access to the public to such documents and information;

4) to represent the Government internationally in respect of matters relating to the registration and regulation of business entities and public accountants;

5) to promote public awareness about new business structures, compliance requirements, corporate governance practices and any other matters under the purview of the Authority; and

6) to provide a responsive and forward-looking regulatory environment for business entities and public accountants conducive to enterprise in Singapore.

## 3.2 Economic Development Board (EDB)<sup>170</sup>

EDB is a core authority of the government which is responsible for planning and implementing strategic policy in order to develop Singapore as world's economic center by designing advantageous alternatives and recommending them to investors in Singapore. The main goal of EDB is to ensure sustainable growth of Singapore economy. EDB is a statutory board under the Ministry of Trade and Industry.

EDB was established in 1961 by Economic Development Board Act (Chapter 85) to attract foreign investors. During that time, Singapore was mainly relying on manufacturing and export sectors as the country started to develop its economy. To promote its export sectors, the EDB opened its overseas centres in Hong Kong and New York. As Singapore later relies on services sector, EDB promotes R&D by developing and implementing national research and innovation strategies and encourages entrepreneurs to operate their business through advanced technology which value-added to goods and services in the country.

### 3.2.1 Structure of EDB

Section 5 of Economic Development Board Act (Chapter 85) stipulates that the EDB shall have a board of members appointed by the Minister of Trade and Industry as below:

- 1) a Chairman; and
- 2) not less than 5, but not more than 15 other members.

Among the board members, the Minister of Trade and Industry shall appoint one as Managing Director and another as Deputy Managing Director so as to manage general operations in collaboration with other members. The current members of EDB are executives from successful businesses such as Chevron, Unilever, and Samsung.

---

<sup>170</sup> For more information, please visit [www.edb.gov.sg/](http://www.edb.gov.sg/)

### 3.2.2 Functions and Duties of EDB

Section 6 of Economic Development Board Act (Chapter 85), provides functions of EDB as follows:

- 1) to stimulate the growth, expansion and development of the Singapore economy;
- 2) to formulate investment promotion policies and plans, and promotional incentives and strategies;
- 3) to promote, facilitate and assist in the development of support industries and services which provide important parts, components and related services to the manufacturing and services sector;
- 4) to encourage foreign and local industries to upgrade their skill and technological levels through investment in technology, automation, training, research and product development activities;
- 5) to support the development of local entrepreneurs and small and medium enterprises and to assist local enterprises to expand and upgrade their operations;
- 6) to provide or support training in skills required for the development of the Singapore economy;
- 7) to identify key enterprises and encourage them to establish their international headquarters in Singapore and undertake a wide range of international service and business activities; and
- 8) to exercise or perform any function or duty conferred upon the Board under any other written law.

### 3.3 Immigration and Checkpoints Authority (ICA)<sup>171</sup>

ICA is an agency under the Ministry of Home Affairs and has been operated since April 2003, by the merging of Singapore Immigration & Registration (SIR) and cross-borders checkpoint formerly performed by Customs & Excise Department (CED).

---

<sup>171</sup> For more information, please visit [www.ica.gov.sg/](http://www.ica.gov.sg/)

At present, ICA is responsible for 16 borders checkpoints, with 3 land and rail, 3 air, and 10 seaport checkpoints.

### **3.3.1 Structure of ICA**

Similar to Immigration Bureau of Thailand, the ICA has the same organisational structure. ICA comprises of officials with ranks in Singapore Police Force, with the Commissioner ICA at the top of the organisation, and two Deputy Commissioners who divide functions between Operations, and Policy and Administration. In addition, the Director of Enforcement is in charge of overseeing all checkpoints in Singapore and is directly under the Commissioner ICA.

### **3.3.2 Functions and Duties of ICA**

The ICA is responsible for the security of Singapore's borders, be it on land, air, or water, and regulates the entry of persons and goods as it is empowered with search and arrest upon any person or goods that enters Singapore illegally. Aside from border security, ICA also issue travel documents and identity cards to Singapore citizens, as well as various immigration passes and permits to foreigners.

## **3.4 Infocomm Development Authority of Singapore (IDA)<sup>172</sup>**

IDA is a statutory board founded in 1999 under the Ministry of Communications and Information (MCI). IDA was a merger between National Computer Board (NCB) and Telecommunication Authority of Singapore (TAS) due to increased importance and relations between technology and communications, following the demand of the government to posit Singapore as a world's leading telecommunications hub that would benefit the national economy and society.

---

<sup>172</sup> For more information, please visit [www.ida.gov.sg/](http://www.ida.gov.sg/)

### 3.4.1 Structure of IDA

IDA was established by Info-communications Development Authority of Singapore Act (Chapter 137A). Section 5 stipulates that IDA shall have a board of members as appointed by the Minister of Communications and Information as follows:

- 1) a Chairman; and
- 2) not less than two but not more than 16 other members.

The board can hold office for a term of not exceeding 3 years. The Minister of Communications and Information has power to revoke or reappoint any board member.

### 3.4.2 Functions and Duties of IDA

Section 6 of Info-communications Development Authority of Singapore Act (Chapter 137A) stipulates the functions and duties of IDA as below:

- 1) to exercise licensing and regulatory functions in respect of the determination and approval of prices, tariffs and charges for the provision of Telecommunications Act (Chapter 323);
- 2) to establish, maintain, promote, and cooperate with other agencies to protect data privacy in accord with the provision of Personal Data Protection Act 2012;
- 3) to administer the postal services in Singapore in accord with the provision of Postal Services Act (Chapter 237A);
- 4) to regulate and examine electronic transactions in respect of the Electronic Transactions Act (Chapter 88);
- 5) to watch and control spam according to provision of the Spam Control Act (Chapter 311A); and
- 6) to prevent or revoke any license in case of illegal practice according to the provision of Computer Misuse and Cybersecurity Act (Chapter 50A).



### 3.5 Inland Revenue Authority of Singapore (IRAS)<sup>173</sup>

Established on 1 September 1992 as a statutory board under Ministry of Finance, IRAS is empowered by the Inland Revenue Authority of Singapore Act (Chapter 138A). Before the establishment of IRAS, tax collection had been governed by the Ministry of Finance. Since Singapore becomes a business hub which collects low tax rates, IRAS is established so as to facilitate administration system.

#### 3.5.1 Structure of IRAS

Section 5 of Inland Revenue Authority of Singapore Act (Chapter 138A) stipulates that board members of IRAS shall comprise of members appointed by the Minister of Finance as follows:

- 1) a Chairman; and
- 2) not less than 5, but not more than 10 other members.

The board members can hold office for a term as the Minister of Finance may determine. The Minister may revoke or reappoint any board member.

#### 3.5.2 Functions and Duties of IRAS

Section 6 of Inland Revenue Authority of Singapore Act (Chapter 138A) stipulates functions and duties of IRAS as in the followings:

- 1) to act as agent of the Government and provide service in administering, assessing, collecting and enforcing payment of income tax, property tax, estate duty, stamp duties, betting and sweepstake duties, private lotteries duty and such other taxes as may be agreed between the Government and the Authority;
- 2) to advise the Government on matters relating to taxation and to liaise with the appropriate Ministries and statutory bodies on such matters;
- 3) to represent Singapore internationally in respect of matters relating to taxation; and

---

<sup>173</sup> For more information, please visit [www.ipos.gov.sg/](http://www.ipos.gov.sg/)

4) to provide service and advice to the Government and statutory bodies in respect of matters relating to the valuation of immovable properties.

### 3.6 Intellectual Property Office of Singapore (IPOS)<sup>174</sup>

IPOS was established in April 2001 under the provision of the Intellectual Property Office of Singapore Act (Chapter 140) as a statutory board under Ministry of Law. The main objective is to regulate laws concerning intellectual property rights which are significant elements for Singapore, as the country becomes highly reliant on technology and innovation in production of goods and services to compete in the world market.

#### 3.6.1 Structure of IPOS

Section 5 of the Intellectual Property Office of Singapore Act (Chapter 140), stipulates that IPOS shall comprise of a board members appointed by the Minister of Justice as follows:

- 1) a Chairman;
- 2) a Deputy Chairman; and
- 3) not less than 8, but not more than 20 other members.

The board members can hold office for a term as the Minister may determine. The Minister may revoke or reappoint any board member.

#### 3.6.2 Functions and Duties of IPOS

Section 6 of the Intellectual Property Office of Singapore Act (Chapter 140) writes functions and duties of IPOS as follows:

- 1) to administer the systems in Singapore for the protection of intellectual property;

---

<sup>174</sup> For more information, please visit [www.ipos.gov.sg/](http://www.ipos.gov.sg/)

2) to provide administrative support services to the Copyright Tribunals in the performance of their functions under the Copyright Act (Chapter 63);

3) to maintain and provide access by the public to documents and information relating to any intellectual property kept or maintained by the Office;

4) to promote public awareness and effective use of intellectual property rights;

5) to represent the Government internationally on matters related to intellectual property;

6) to advise and make recommendations to the Government on matters related to intellectual property;

7) to advise and make recommendations to the Government on the recognition, accreditation and conduct of persons acting as intellectual property agents or intellectual property advisers, and exercise any regulatory functions over them;

8) to promote or assist in the development of the profession of intellectual property agents and intellectual property advisers in Singapore;

9) to promote and facilitate the training of persons desiring to be intellectual property agents in Singapore;

10) to manage technical co-operation and exchange in the area of intellectual property with other persons and organisations, including foreign intellectual property offices and international inter-governmental organisations, on its own behalf or on behalf of the Government; and

11) to provide advice, training and assistance in relation to intellectual property to any Government department or statutory board, or to authorities of other countries and territories which administer intellectual property laws.

### 3.7 Media Development Authority (MDA)<sup>175</sup>

MDA was founded on 1 January 2003 by Media Development Authority of Singapore Act (Chapter 172). MDA is a statutory board under the Ministry of Communications and Information. MDA was established by a merger between the Singapore Broadcasting Authority (SBA), Films and Publications Department (FPD), and Singapore Film Commission (SFC) to meet demand of the government in developing Singapore as a central of media industry.

#### 3.7.1 Structure of MDA

Section 5 of the Media Development Authority of Singapore Act (Chapter 172), stipulates that the MDA shall comprises of board members appointed by the Minister as follows:

- 1) a Chairman; and
- 2) not less than 5, but not more than 16 other members.

The board members can hold office for a term not exceeding 3 years. The Minister may revoke or reappoint any board member.

#### 3.7.2 Functions and Duties of MDA

With the provision of Media Development Authority of Singapore Act (Chapter 172), Section 11 regulates MDA to perform the following functions:

- 1) to exercise licensing and regulatory functions in respect of media services in Singapore, including the establishment of guidelines and standards relating to the content of media services, and any equipment or facility used in connection with the provision of media services;
- 2) to encourage, promote and facilitate the development of the media industries in Singapore;

---

<sup>175</sup> For more information, please visit [www.mda.gov.sg/](http://www.mda.gov.sg/)

3) to advise and make recommendations to the Government on matters, measures and regulations related to or connected with the media;

4) to facilitate the provision of an adequate range of media services in Singapore which serve the interests of the general public;

5) to maintain fair and efficient market conduct and effective competition in the media industries in Singapore or, in the absence of a competitive market, to prevent the misuse of monopoly or market power;

6) to ensure that media services in Singapore are maintained at a high standard in all respects and, in particular, in respect of the quality, balance and range of subject-matter of their content;

7) to encourage and regulate public service broadcast programming by broadcasting licensees under the Broadcasting Act (Chapter 28);

8) to ensure that nothing is included in the content of any media service which is against public interest or order, or national harmony, or which offends against good taste or decency; and

9) to exercise any other function or duty conferred on the Authority by or under the Broadcasting Act (Chapter 28), the Films Act (Chapter 107), the Newspaper and Printing Presses Act (Chapter 206), and the Undesirable Publications Act (Chapter 338).

### 3.8 Ministry of Manpower (MOM)<sup>176</sup>

MOM is a part of the government of Singapore which has responsibilities in all matters relating to labour and employment, including foreign employment, in Singapore. The main goal is to develop workers in Singapore to be productive, to have better job advancement and welfare, to upgrade the working conditions, and to have security in life after retirement.

---

<sup>176</sup> For more information, please visit [www.mom.gov.sg/](http://www.mom.gov.sg/)

### 3.8.1 Structure of MOM

MOM comprises of a Minister, Senior Minister of State, a Permanent Secretary, and two Deputy Permanent Secretaries. There are 13 departments under MOM as follows:

- 1) Corporate Communications Department;
- 2) Corporate Planning and Management Department;
- 3) Customer Responsiveness Department;
- 4) Foreign Manpower Management Division;
- 5) Human Resource Department;
- 6) Income Security Policy Division;
- 7) Labour Relations and Workplaces Division;
- 8) Legal Services Department;
- 9) Manpower Planning and Policy Division;
- 10) Manpower Research and Statistics Department;
- 11) Occupational Safety and Health Division;
- 12) Work Pass Division; and
- 13) Workplace Policy and Strategy Division.

In addition, MOM has three statutory boards as follows:

- 1) Central Provident Fund Board (CPF);
- 2) Singapore Labour Foundation (SLF); and
- 3) Singapore Workforce Development Agency (WDA).

### 3.8.2 Functions and Duties of MOM

1) to consider and to issue work permit in accord with the provisions of Employment of Foreign Manpower Act (Chapter 91A) and Immigration Act (Cap 133);

2) to regulate and to supervise principal-agent relations in respect of Employment Act (Cap 91) Industrial Relations Act (Cap 136) and Trade Unions Act (Cap 333);

3) to regulate and to supervise foreign labours in respect of Employment of Foreign Manpower Act (Chapter 91A) and Immigration Act (Cap 133); and

4) to control safety in workplaces in accord with Workplace Safety and Health Act (WSHA).

### **3.9 Ministry of Trade and Industry Singapore (MTI)<sup>177</sup>**

MTI is responsible for making policies relating to trade and industry development. It was established in 1979 to expand markets and industries and to raise capital inflows from developed countries. To fulfill the objectives, investors and entrepreneurs as well as market efficiency have to be promoted. Thus, MTI seeks to develop Singapore with vibrant economic dynamics, world-class business, and highly innovative and productive Small and Medium Enterprises (SME).

#### **3.9.1 Structure of MTI**

MTI comprises of Minister, Second minister, Minister of State, and Senior Minister of State, Permanent Secretary, Second Permanent Secretary, Deputy Secretaries, and directors of the 6 divisions as follows:

- 1) Economic Division (ECD);
- 2) Futures and Strategy Division (FSD);
- 3) Industry Division (ID);
- 4) Research and Enterprise Division (RED);
- 5) Resource Division (RD); and
- 6) Energy Division (ED).

---

<sup>177</sup> For more information, please visit [www.mti.gov.sg/](http://www.mti.gov.sg/)

In addition, MTI has 7 agencies looking after international affairs as follows.

- 1) International Trade Cluster (ITC)
- 2) ASEAN Division
- 3) Emerging Markets Division
- 4) North America and Europe Division (NAE)
- 5) Northeast Asia Division (NEA)
- 6) Southeast Asia and Oceania Division (SEAO)
- 7) Foreign Economic Policy Division (FEPD)

### **3.9.2 Functions and Duties of MTI**

Principal roles of MTI are to stimulate the economy, create sound employment on a basis of free-market economy, and accommodate international trade. Moreover, the MTI has authority to enforce the following statutes:

- 1) Commodity Trading Act (Chapter 48A)
- 2) Competition Act 2004
- 3) Consumer Protection (Fair Trading) Act
- 4) Consumer Protection (Trade Descriptions And Safety Requirements) Act
- 5) Hire-Purchase Act (Chapter 125) and Hire-Purchase (Amendment) Act 2004
- 6) Multi-level Marketing and Pyramid Selling (Prohibition) Act (Chapter 190)
- 7) Multi-level Marketing and Pyramid Selling (Excluded Schemes and Arrangements) Order 2000
- 8) Singapore Business Federation Act 2001
- 9) Singapore Business Federation (Exemption) Order
- 10) General Advisory on Amendments to the Consumer Protection (Fair Trading) Act and Hire Purchase Act (also known as Lemon Law)



### 3.10 Monetary Authority of Singapore (MAS)<sup>178</sup>

MAS is an integrated supervisor overseeing all financial institutions in Singapore which are banks, insurers, capital market intermediaries, financial advisors, and the stock exchange. MAS can be compared to the Bank of Thailand (BOT). It was established in 1971 by Monetary Authority of Singapore Act (Chapter 186). The main purpose of MAS is to provide effective and robust responses to complicated financial landscape in Singapore. MAS is a statutory board under the Prime Minister's Office.

#### 3.10.1 Structure of MAS

Section 7 to Section 9 of Monetary Authority of Singapore Act (Chapter 186) stipulates that MAS shall comprise of board members appointed by the Minister of Prime Minister's Office, to be responsible for the policy and general administration of the affairs and business of the Authority as in the followings:

1) a Chairman; and

2) not less than 4, but not more than 13 other directors. Among them, one shall be appointed as the Deputy Chairman, while another shall be appointed as Managing Director. They serve as employees of MAS and report to the board.

The board members can hold office for a term not exceeding 3 years. The Minister may revoke or reappoint any board member.

#### 3.10.2 Functions and Duties of MAS

Section 4 of Monetary Authority of Singapore Act (Chapter 186) stipulates that MAS shall have the following functions:

1) to maintain price stability conducive to sustainable growth of the economy;

2) to foster a sound and reputable financial centre and to promote financial stability;

---

<sup>178</sup> For more information, please visit [www.mas.gov.sg/](http://www.mas.gov.sg/)

3) to ensure prudent and effective management of the official foreign reserves of Singapore;

4) to grow Singapore as an internationally competitive financial centre;

5) to act as the central bank of Singapore, conduct monetary policy, issue currency, oversee payment systems and serve as banker to and financial agent of the Government;

6) to conduct integrated supervision of the financial services sector and financial stability surveillance.

### 3.11 Singapore Customs (SC)<sup>179</sup>

Singapore Customs is under the Ministry of Finance. It was first established in 1910 when Singapore was still under the British Empire. Customs duty is one of the oldest taxes relating to international trade. Singapore as the trading hub in the region pays significant attention to the collection of customs duty imposed on exports and imports at its sea ports. The agencies relating to custom duty have gone through many developments according to the changing domestic and international conditions. SC was re-structured in 2003 to separate all duty collection functions from the Ministry of Finance.

#### 3.11.1 Structure of SC

SC comprises Director-General, Deputy Director-General, and 8 Directors who supervise 8 divisions as in the followings:

- 1) Trade Division
- 2) Compliance Division
- 3) Human Resources Directorate
- 4) Policy and Planning Division
- 5) Checkpoints Division

---

<sup>179</sup> For more information, please visit [www.customs.gov.sg/](http://www.customs.gov.sg/)

6) Intelligence and Investigation Division

7) Corporate Services Division

8) Information Technology Directorate

### 3.11.2 Functions and Duties of SC

There are 3 functions and duties of SC as follows:

1) Trade Facilitation. Singapore Customs facilitates trade and documentation processes, making them easy and seamless. As well, Singapore Customs administers preferential tariffs arising from the many free trade agreements signed by Singapore for the benefit of the trading community. In addition, Singapore Customs consults and engages the trade and industry to understand customers' needs, and offer customised solutions to the business community. The aims are to lower their business compliance costs, enhance efficiency, and promote business growth in Singapore;

2) Trade Security. Singapore Customs promotes trade security and secure trade supply chains;

3) Trade Regulation. Singapore Customs maintains an effective and robust regulatory regime that is able to adapt quickly to the ever-changing business landscape. Singapore Customs safeguards Government revenue, ensures a level playing field for traders, and takes firm enforcement action against those who attempt to evade duties and taxes.

### 3.12 Singapore International Arbitration Center (SIAC)<sup>180</sup>

SIAC is a non-profit, non-governmental organisation established in 1991 to meet the demands of the international business community for a neutral, efficient and reliable dispute resolution institution in a fast-developing Asia.

---

<sup>180</sup> For more information, please visit [www.siac.org.sg](http://www.siac.org.sg)

### 3.12.1 Structure of SIAC

SIAC Board of Directors consists of well-respected lawyers and corporate leaders from around the world. The Board is responsible for overseeing SIAC's operations, making plans and strategies, appointing arbitrators, as well as supervising overall of dispute administration at the SIAC.

The SIAC Court of Arbitration comprises 16 eminent arbitrators from Australia, Belgium, China, France, India, Japan, Korea, UK, the USA, and Singapore.

### 3.12.2 Functions and Duties of SIAC

The main function of SIAC is to offer arbitration service to business according to International Arbitration Act and Arbitration Act. In addition, SIAC enforces Arbitration Rules of the Singapore International Arbitration Centre, of which Section 25 (2) allows the arbitral tribunal to determine resolutions of any disputes as specified in contract.

## 3.13 Singapore Land Authority (SLA)<sup>181</sup>

SLA is established in 2001 by Singapore Land Authority Act (Chapter 301) as a statutory board under the Ministry of Law. It was founded by a merger between the Land Office, Singapore Land Registry, Survey Department, and Land Systems Support Unit in order to facilitate a more effective administration. Since all lands in Singapore have been explored and utilised, the main aim of SLA is to allocate and maximise the limited and land resources.

### 3.13.1 Structure of SLA

Section 5 of Singapore Land Authority Act (Chapter 301) stipulates that SLA shall comprise of the following members:

- 1) a Chairman;
- 2) a Deputy Chairman; and

---

<sup>181</sup> For more information, please visit [www.sla.gov.sg](http://www.sla.gov.sg)

3) not less than 8 and not more than 20 other members as the Minister of Law may from time to time determine.

SLA separates its duty into two groups which are Land Operations Group and Land Information and Corporate Group.

### **3.13.2 Functions and Duties of SLA**

Section 6 of Singapore Land Authority Act (Chapter 301) stipulates the functions and duties of SLA as follows:

- 1) to optimise land resources;
- 2) to provide secure, reliable and effective registration systems for recording transactions relating to land in Singapore;
- 3) to manage and maintain the cadastral survey system in Singapore as a foundation for land title, any spatial reference database or information system and for the purposes of any written law, including regulating the conduct of cadastral survey in Singapore;
- 4) to promote, develop or contribute to the development of an integrated spatial reference database or information system relating to land tenure, land transactions, land ownership, land boundaries and other related geographical information so as to facilitate the exchange and dissemination between the Government, public authorities, educational institutions or persons in the private sector of such information;
- 5) to act as agent of the Government in —
  - a. the acquisition of land;
  - b. the administration and management of all State lands and buildings;
  - c. the allocation and disposal of State land or grant of any State title to any person or public authority;
  - d. the assessment, collection and recovery of any premium (including differential premium), rent, royalty, fee or charge for or in connection with the mining or working of land for minerals, or with the disposition

of any State land or grant of any State title or the exercise of any rights under any State title;

6) to administer the Residential Property Act (Chapter 274);

7) to report to and advise the Government on matters relating to land survey, land tenure, land transactions, land ownership, land boundaries and the administration, management, allocation, acquisition and disposition of State land;

8) to maintain and provide access by the public to documents and information relating to land survey, land tenure, land transactions, land ownership, land boundaries, State lands, State titles and other related matters kept or maintained by the Authority;

9) to manage technical co-operation and exchange in the area of land survey and land resource administration and management with other persons and organisations, including foreign organisations and international inter-governmental organisations, on its own or on behalf of the Government;

10) to represent the Government internationally in respect of matters relating to land survey and land resource administration and management;

11) to provide training, advice and assistance in relation to land survey and land resource administration and management to any Government department or any public authority, or to authorities of other countries and territories which administer and manage public lands and resources;

12) to provide administrative support services to the Land Surveyors Board in the performance of its functions under the Land Surveyors Act (Chapter 156).

### 3.14 Urban Redevelopment Authority (URA)<sup>182</sup>

URA is a statutory board under the Ministry of National Development. It was established on 1 April 1974 in accordance with the provision of Urban Redevelopment

---

<sup>182</sup> For more information, please visit [www.ura.gov.sg/](http://www.ura.gov.sg/)

Authority Act (Chapter 340). The main objective of URA is to ameliorate or renovate land in Singapore to be appropriate and flexible for modern development. The difference between SLA and URA is that SLA, regulated by Ministry of Law, occupies and administers state lands whereas URA plans for land development and ameliorates limited lands in Singapore under supervision of Ministry of National Development.

#### **3.14.1 Structure of URA**

Section 4 of Urban Redevelopment Authority Act (Chapter 340) requires the URA to have board members appointed by the Minister of National Development as follows:

1. a Chairman; and
2. not less than 4, but no more than 12 members.

Board members can serve a term not exceeding 3 years. The Minister of National Development may by order twice elect, exempt, or revoke any board member.

#### **3.14.2 Functions and Duties of URA**

According to the provision of Urban Redevelopment Authority Act (Chapter 340), Section 6 requires the functions and duties of URA as follows:

- 1) to prepare or execute or prepare and execute proposals, plans and projects for —
  - a. the clearance, development and redevelopment of such land as the Authority may think fit for the purpose of resettling persons displaced by operations of the Authority and other resettlement projects approved by the Minister or for any other purpose;
  - b. the erection, conversion, improvement and extension of any building for sale, lease, rental or other purpose; and
  - c. the provision and improvement of services and facilities for —
    - the promotion of public safety, recreation and welfare; and
    - the parking of vehicles;
- 2) to superintend parking places;

3) to sell, lease or grant licences to use or occupy such land belonging to the Authority for the purposes of the development and redevelopment of the land as the Authority may think fit;

4) to sell, lease or grant licences to use or occupy land or other property as agent for the Government or any statutory authority when appointed to do so;

5) to manage such lands, buildings or other property as the Authority may think fit;

6) to submit or make recommendations or proposals to the Government or any person or statutory body for the preservation and protection of any monument and land of historic, traditional, archaeological, architectural or aesthetic interest;

7) to provide information and advice to and act as agent and consultant for such Government department, person, company and corporation carrying on or intending to carry on a building project or scheme or urban redevelopment in Singapore or elsewhere as the Authority may think fit;

8) to undertake land planning and to manage and control the development of land in Singapore;

9) to inform and advise the Government on matters relating to land planning and the development of land in Singapore;

10) to secure and promote publicity in any form in Singapore or elsewhere of the functions and activities of the Authority;

11) to collect, compile and analyse information of a statistical nature relating to building, construction, land use, recreation or such other subject-matter necessary for the performance of the functions and duties imposed upon the Authority by or under this Act or any other written law, and to publish and disseminate the results of any such compilation and analysis or abstracts of those results;

12) to provide advisory and information services;

13) to conduct, promote and encourage research in matters connected with one or more of the Authority's purposes and functions.



## Conclusion

After reviewing the structures, roles and responsibilities of 14 organisations, there are two key conclusions as follows.

First, most of the authorities playing the roles in enforcing laws and regulations relating to trade and investment in Singapore have recently been established or re-organised their structure in the early of 21st century. Some are formed through the abolition of former authorities in order to integrate all operations or to meet different objectives. This reflects dynamic adaptation of the government towards contingent circumstances. For example, SLA was established by the merging of many departments formerly regulating lands and properties of state such as Survey Department which plays a leading role in land surveying and planning. Since all lands in Singapore had already been explored, the Survey Department was no longer necessary and then merged with SLA. Consequently, SLA becomes an authority in charge of managing the use of land.

Second, most of the authorities enforcing laws and regulations related to trade and investment in Singapore are independent by laws. This provides advantages in effective and flexible operation. However, these seemingly independent authorities actually have board members appointed by the relevant Minister. Two controversial aspects arise from this fact. On the one hand, it is useful in providing the righteous coordination among government authorities and foreign organisations. On the other hand, this may imply that all organisations which have functions related to trade and investment in Singapore are in fact under control of the government or PAP.

Taking these into consideration, both re-organising and establishing an authority to deal with subjective circumstances; and assigning responsibility on trade and investment to independent authorities are crucial determinants for effective law enforcement. As doing so, Singapore has consequently remained one of the world's leading economies.



## References

### In Thai Language

- Department of Intellectual Property, Ministry of Commerce. “กฎหมายการออกแบบ  
ผลิตภัณฑ์ สาธารณรัฐสิงคโปร์ [Law relating to registered design: Singapore].”  
[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on 15 November 2014).
- . “กฎหมายเครื่องหมายการค้า สาธารณรัฐสิงคโปร์ [Law relating to trade mark:  
Singapore].”  
[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on 15 November 2014).
- . “กฎหมายลิขสิทธิ์ สาธารณรัฐสิงคโปร์ [Law relating to copyright: Singapore],”  
[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on 15 November 2014).
- . “กฎหมายสิทธิบัตร สาธารณรัฐสิงคโปร์ [Law relating to patent: Singapore].”  
[http://www.ipthailand.go.th/index.php?option=com\\_docman&task=cat\\_view&gid=710&Itemid=160](http://www.ipthailand.go.th/index.php?option=com_docman&task=cat_view&gid=710&Itemid=160) (Retrieved on 15 November 2014).

### In English Language

- Accounting and Corporate Regulatory Authority, “Practical Experience Routes,”  
<https://www.acra.gov.sg/components/wireframes/howToGuidesChapters.aspx?pageid=1676#1680> (Retrieved on 9 September 2014).
- . “Professional Requirements for Registration as Public Accountants.”  
<https://www.acra.gov.sg/components/wireframes/howToGuidesChapters.aspx?pageid=1676#1679> (Retrieved on 9 September 2014).
- ASEAN Architect Council. “Board of Architects Singapore: Assessment Statement for  
ASEAN Architect.”  
[http://www.aseanarchitectcouncil.org/pdf/singapore\\_Architect%20Assessment%20Statement.pdf](http://www.aseanarchitectcouncil.org/pdf/singapore_Architect%20Assessment%20Statement.pdf) (Retrieved on 3 September 2014).

- ASEAN Briefing. "Double Taxation Avoidance Agreement between Thailand and Singapore." [http://www.aseanbriefing.com/userfiles/resources-pdfs/Thailand/DTA/ASEAN\\_DTA\\_Singapore\\_Thailand.pdf](http://www.aseanbriefing.com/userfiles/resources-pdfs/Thailand/DTA/ASEAN_DTA_Singapore_Thailand.pdf) (Retrieved on 20 September 2015).
- ASEAN Chartered Professional Engineering Coordinating Committee. "Home." <http://acpecc.net/v2/> (Retrieved on 3 September 2014).
- ASEAN Secretariat. ASEAN Statistical Yearbook 2013. Jakarta: ASEAN Secretariat, 2014.
- . "Table IX.1 Agriculture Land and Land Use 2011." ASEAN Statistical Yearbook 2013 (Jakarta: ASEAN Secretariat, 2013).
- Barr, Michael et. al. World and Its People: Malaysia, Philippines, Singapore, and Brunei. New York: Marshall Cavendish, 2008.
- Board of Architects, "Educational qualification," <http://www.boa.gov.sg/education.html> (Retrieved on 8 January 2015).
- Bureau of Democracy, Human Rights, and Labor, Department of State, United States of America. "2010 Human Rights Report: Singapore." <http://www.state.gov/documents/organization/160101.pdf> (Retrieved on 31 July 2014).
- Bureau of Economic and Business Affairs, Department of State, United States of America. "2013 Investment Climate Statement- Singapore." <http://www.state.gov/e/eb/rls/othr/ics/2013/204730.htm> (Retrieved on 15 July 2014).
- Chan, Helena HM. The Legal System of Singapore. Chatswood: LexisNexis Butterworths Australia, 1995.
- Chan, Wing Cheong, and Michael Hor. "Introduction: Constitutionalism and Criminal Justice." Singapore Academy of Law Journal 25 (2013): 651-55.
- Chang, Wendy Mun Lin. "Legal Systems in ASEAN – Singapore: Chapter 1 Historical Overview." [http://www.aseanlawassociation.org/papers/sing\\_chp1.pdf](http://www.aseanlawassociation.org/papers/sing_chp1.pdf) (Retrieved on 18 July 2014).
- Charles Lim Aeng Cheng. "Legal Systems in ASEAN- Singapore: Chapter 6 The Legal Profession." [http://www.aseanlawassociation.org/papers/sing\\_chp6.pdf](http://www.aseanlawassociation.org/papers/sing_chp6.pdf) (Retrieved on 11 September 2014).

Chun Han Wong. "Singapore Strike: Full Story."

<http://blogs.wsj.com/searealtime/2013/08/31/singapore-strike-the-full-story/> (Retrieved on 8 October 2014).

Crane, Cheryl, Mark Gillen, and Ted L. McDorman. "Parliamentary Supremacy in Canada, Malaysia, and Singapore." In Asia-Pacific Legal Development, ed. Douglas M. Johnston and Gerry Ferguson, 155-217. Vancouver: UBC Press, 1998.

Encyclopedia Britannica. "Singapore."

<http://webcache.googleusercontent.com/search?q=cache:kN439jqgENMJ:www.britannica.com/EBchecked/topic/545725/Singapore+&cd=4&hl=en&ct=clnk> (Retrieved on 1 July 2014).

Goh, Leonard Choon Hian. "Legal Systems in ASEAN- Singapore: Chapter 2 – Sources of Law." [http://www.aseanlawassociation.org/papers/sing\\_chp2.pdf](http://www.aseanlawassociation.org/papers/sing_chp2.pdf) (Retrieved on 25 July 2014).

Goh, Yihan. "Developments in Singapore Contract Law in 2012."

[http://www.lexology.com/\(F\(BEw2FJy5rTK4kdbQLu71\\_El9j82pfWQW7df6w5waS66nM9FmtD1Is23iPbbXG6ktmTFrgb-vUthCVqvJp7OiTVaqzQxfk-aRC9GEoWHWPiFgGp3-C2AkMDRei1aG4lQsIXRvC6nQjZnAjqHs7SOt-2KChKyYo0kezBGdQFfB6Ro0MY85MdwoGZo8oiFVSSyNldKw1\\_zw8qQ-mG\\_BYWy-CyOUGkU1\)\)/library/document.ashx?g=fac05dcc-4b24-4a7c-a7f6-c04b936d640f&b=%2FJ0QUz4gvQXbM8WpenxyqcLz9kywJMjkUzkMAMqQi5g%3D&bt=2014-07-03T15%3A01%3A21.2961581%2B01%3A00&noredirect=1](http://www.lexology.com/(F(BEw2FJy5rTK4kdbQLu71_El9j82pfWQW7df6w5waS66nM9FmtD1Is23iPbbXG6ktmTFrgb-vUthCVqvJp7OiTVaqzQxfk-aRC9GEoWHWPiFgGp3-C2AkMDRei1aG4lQsIXRvC6nQjZnAjqHs7SOt-2KChKyYo0kezBGdQFfB6Ro0MY85MdwoGZo8oiFVSSyNldKw1_zw8qQ-mG_BYWy-CyOUGkU1))/library/document.ashx?g=fac05dcc-4b24-4a7c-a7f6-c04b936d640f&b=%2FJ0QUz4gvQXbM8WpenxyqcLz9kywJMjkUzkMAMqQi5g%3D&bt=2014-07-03T15%3A01%3A21.2961581%2B01%3A00&noredirect=1) (Retrieved on 27 July 2014).

Hawksford. "Banking Industry and Major Banks in Singapore."

<http://www.guidemesingapore.com/doing-business/finances/singapore-banking-industry-overview> (Retrieved on 20 September 2015).

Immigration and Checkpoints Authority (ICA). "Submission of Application for Visa Electronically (SAVE)." <https://save.ica.gov.sg/save-public/> (Retrieved on 10 April 2015).

Inland Revenue Authority of Singapore. "For GST-registered businesses."

<http://www.iras.gov.sg/irasHome/page04.aspx?id=4456> (Retrieved on 8 January 2015).

- . "IRAS e-Tax Guide." [http://www.iras.gov.sg/irashome/uploadedfiles/e-Tax\\_Guide/etaxguides\\_PT\\_Guide%20for%20Non-OO%20Residential%20Properties\\_2013-11-14.pdf](http://www.iras.gov.sg/irashome/uploadedfiles/e-Tax_Guide/etaxguides_PT_Guide%20for%20Non-OO%20Residential%20Properties_2013-11-14.pdf) (Retrieved on 19 September 2014).
- . "Partnership / Limited Liability Partnership (LLP) / Limited Partnership (LP)." <https://www.iras.gov.sg/irashome/Businesses/Self-Employed/Learning-the-basics/Partnership-/Limited-Liability-Partnership--LLP--/Limited-Partnership--LP-/> (Retrieved on 20 September 2015).
- . "Property Tax Rates." <http://www.iras.gov.sg/irashome/page04.aspx?id=12186> (Retrieved on 19 September 2014).
- Institute of Estate Agents Singapore (IES). "Introduction." <http://www.iea.sg/introduction> (Retrieved on 24 February 2015).
- Intellectual Property Office of Singapore. "Patents: forms and fees." <http://www.ipos.gov.sg/Services/FilingandRegistration/FormsandFees/Patents.aspx> (Retrieved on 23 February 2015).
- . "What is a registered design?." <http://www.ipos.gov.sg/AboutIP/TypesofIPWhatisIntellectualProperty/Whatisaregisteredd/design.aspx> (Retrieved on 23 February 2015).
- . "What is copyright?." <http://www.ipos.gov.sg/AboutIP/TypesofIPWhatisIntellectualProperty/Whatiscopyright.aspx> (Retrieved on 23 February 2015).
- JTC Corporation. "Real Estate Solutions." <http://www.jtc.gov.sg/Pages/default.aspx> (Retrieved on 24 February 2015).
- Khalik, Salma. "Singapore Faces Nurse Shortfall for Years to Come." *Straits Times*, 15 February (2013).
- Land Surveyors Board. "Becoming a Surveyor: Overview." <https://www.mlaw.gov.sg/content/lisb/en/becoming-a-surveyor/overview.html> (Retrieved on 4 September 2014).
- . "Professional qualifications." <https://www.mlaw.gov.sg/content/lisb/en/becoming-a-surveyor/professional-qualifications.html> (Retrieved on 8 January 2015).

- Lawyers' Rights Watch Canada. "Rule of Law in Singapore: Independence of the Judiciary and the Legal Profession in Singapore." [http://www.lrwc.org/ws/wp-content/uploads/2012/03/LRWC.Rule\\_of\\_Law\\_in\\_Singapore.17.Oct\\_07.pdf](http://www.lrwc.org/ws/wp-content/uploads/2012/03/LRWC.Rule_of_Law_in_Singapore.17.Oct_07.pdf) (Retrieved on 31 July 2014).
- Lee, Jack Tsen-Ta. "Bukit Brown Cemetery: You can sue, but you won't win." <http://singaporepubliclaw.com/2012/05/09/bukit-brown-cemetery/#num4> (Retrieved on 3 November 2014).
- Leng, Lim Chin. "Singapore and International Law." <http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-5> (Retrieved on 26 August 2014).
- Madden, Frederick, and David Kenneth Fieldhouse, ed. Settler Self-government, 1840-1900: The Development of Representative and Responsible Government. Westport, Connecticut: Greenwood Publishing Group, 1990.
- Ministry of Finance Singapore and Accounting and Corporate Regulatory Authority, "Review of the Singapore Companies Act: Ministry of Finance's Responses to the Report of the Steering Committee for Review of the Companies Act 3 October 2012," [http://app.mof.gov.sg/data/cmsresource/SC\\_RCA\\_Final/AnnexA\\_SC\\_RCA.pdf](http://app.mof.gov.sg/data/cmsresource/SC_RCA_Final/AnnexA_SC_RCA.pdf) (Retrieved on 29 July 2014).
- Ministry of Manpower. "Amendments to the Employment Act." <http://www.mom.gov.sg/employment-practices/Pages/amendments-to-the-employment-act.aspx> (Retrieved on 25 February 2015).
- . "Apply for a Miscellaneous Work Pass." <http://beta.mom.gov.sg/en/passes-and-permits/miscellaneous-work-pass/apply-for-a-pass> (Retrieved on 9 April 2015).
- . "Eligibility for Letter of Consent." <http://beta.mom.gov.sg/en/passes-and-permits/letter-of-consent/eligibility> (Retrieved on 9 April 2015).
- . "Employment Pass - Before you apply." <http://www.mom.gov.sg/foreign-manpower/passes-visas/employment-pass/before-you-apply/Pages/default.aspx> (Retrieved on 10 September 2014).
- . "Hours of Work, Overtime & Rest Days." <http://www.mom.gov.sg/employment-practices/employment-rights-conditions/hours-of-work-and-overtime/Pages/default.aspx#restdays> (Retrieved on 25 February 2015).

- . "Maternity Leave." <http://www.mom.gov.sg/employment-practices/leave-and-holidays/Pages/maternity-leave.aspx> (Retrieved on 25 February 2015).
- . "Passes and Visas." <http://www.mom.gov.sg/foreign-manpower/passes-visas> (Retrieved on 8 January 2015).
- . "Salary." <http://www.mom.gov.sg/employment-practices/employment-rights-conditions/salary/Pages/default.aspx> (Retrieved on 8 October 2014).
- . "S Pass quota and levy requirements." <http://beta.mom.gov.sg/en/passes-and-permits/s-pass/quota-and-levy/levy-and-quota-requirements> (Retrieved on 9 April 2015).
- . "S Pass – Before you apply." <http://www.mom.gov.sg/foreign-manpower/passes-visas/s-pass/before-you-apply/Pages/default.aspx> (Retrieved on 10 September 2014).
- . "Training Employment Pass - List of acceptable institutions." <http://www.mom.gov.sg/Documents/foreign-manpower/tep-list-of-acceptable-institutions.pdf> (Retrieved on 9 April 2015).
- . "Work Permit- before you apply: Man-Year Entitlement," <http://www.mom.gov.sg/foreign-manpower/passes-visas/work-permit-fw/before-you-apply/construction/Pages/man-year-entitlements.aspx> (Retrieved on 9 January 2015).
- . "Work Permit Online for Business and Employment Agency Users." <http://www.mom.gov.sg/services-forms/Pages/wp-online-beau.aspx> (Retrieved on 9 April 2015).
- . "Work Permit (Foreign Worker)- Levy Payments." <http://www.mom.gov.sg/foreign-manpower/passes-visas/work-permit-fw/levy-payments/Pages/levy-payments.aspx> (Retrieved on 10 September 2014).

National Trade Unions Congress (NTUC). "About NTUC."

[http://www.ntuc.org.sg/wps/portal/up2/home/aboutntuc!/ut/p/a1/04\\_Sj9CPykssy0xPLMnMz0vMAfGjzOJNA4w9Xd08jAz8g5wNDDx93S2Dgv0Mjf2DjYAKIoEKDHAARwNC-sP1o8BK8JhQkBthkO6oqAgAzgVEow!!/dl5/d5/L2dJQSEvUUt3QS80SmIFL1o2XzVQM0IFRkgyME9GSjEwSTZBNUU3UKQwR1Ez/](http://www.ntuc.org.sg/wps/portal/up2/home/aboutntuc!/ut/p/a1/04_Sj9CPykssy0xPLMnMz0vMAfGjzOJNA4w9Xd08jAz8g5wNDDx93S2Dgv0Mjf2DjYAKIoEKDHAARwNC-sP1o8BK8JhQkBthkO6oqAgAzgVEow!!/dl5/d5/L2dJQSEvUUt3QS80SmIFL1o2XzVQM0IFRkgyME9GSjEwSTZBNUU3UKQwR1Ez/) (Retrieved on 26 February 2015).

Neo, Jaclyn Ling-Chien, and Yvonne CL Lee "Constitutional Supremacy: Still a little dicey." In Evolution of a Revolution: Forty Years of the Singapore Constitution, ed. Li-



ann Thio and Kevin YL Tan, 153-192. Oxon and New York: Routledge-Cavendish, 2009.

Professional Engineers Board. "Application for Registration as ASEAN Chartered Professional Engineer (ACPE)." <http://app.peb.gov.sg/circular/circular25.pdf> (Retrieved on 3 September 2014).

---. "Professional Engineers (Approved Qualifications) Notification 2009." [http://app.peb.gov.sg/PE%20\(Aproved%20Qualifications\)%20Notification%202009.pdf](http://app.peb.gov.sg/PE%20(Aproved%20Qualifications)%20Notification%202009.pdf) (Retrieved on 2 September 2014).

Singapore Academy of Law. "Laws of Singapore." <http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-1> (Retrieved on 21 July 2014).

Singapore Customs. "Controlled and Prohibited Goods." <http://www.customs.gov.sg/leftNav/trav/Controlled+and+Prohibited+Goods.html> (Retrieved on 8 April 2015).

---. "List of Controlled Goods- Exports." <http://www.customs.gov.sg/leftNav/trad/TradeNet/List+Of+Controlled+Goods+-+Exports.html> (Retrieved on 8 April 2015).

---. "List of Controlled Goods- Imports." <http://www.customs.gov.sg/leftNav/trad/TradeNet/List+Of+Controlled+Goods+-+Imports.html> (Retrieved on 8 April 2015).

Singapore Dental Council. "Training to be a professional." [http://www.healthprofessionals.gov.sg/content/hprof/sdc/en/leftnav/training\\_to\\_be\\_aprofessional.html](http://www.healthprofessionals.gov.sg/content/hprof/sdc/en/leftnav/training_to_be_aprofessional.html) (Retrieved on 9 January 2015).

Singapore Institute of Legal Education. "Foreign Practitioner Examinations." <http://www.sile.edu.sg/foreign-practitioner-examinations> (Retrieved on 9 September 2014).

Singapore Land Authority. "Foreign Ownership of Properties." <http://www.sla.gov.sg/Services/RestrictiononForeignOwnershipofLandedProperty.aspx> (Retrieved on 24 January 2014).

---. "Forms."

<http://www.sla.gov.sg/Services/RestrictiononForeignOwnershipofLandedProperty/Forms.aspx> (Retrieved on 24 January 2014).

---. "Management of State Land and Buildings." <http://www.sla.gov.sg/htm/ser/ser02.htm> (Retrieved on 18 September 2014).

Singapore Medical Council. "Conditional Registration."

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/conditional\\_registration.html#Table 1](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/conditional_registration.html#Table 1) (Retrieved on 5 September 2014).

---. "Full Registration."

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/full\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/full_registration.html) (Retrieved on 8 January 2015).

---. "List of Registrable Basic Medical Qualifications."

[http://www.healthprofessionals.gov.sg/content/dam/hprof/smc/docs/becoming\\_registered\\_doctor/Second%20Schedule%20-%20Registrable%20Basic%20Medical%20Qualifications.pdf](http://www.healthprofessionals.gov.sg/content/dam/hprof/smc/docs/becoming_registered_doctor/Second%20Schedule%20-%20Registrable%20Basic%20Medical%20Qualifications.pdf) (Retrieved on 8 April 2015).

---. "Specialist Registration."

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_specialists/specialist\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_specialists/specialist_registration.html) (Retrieved on 8 January 2015).

---. "Temporary Registration."

[http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming\\_a\\_registereddoctor/registration/register\\_of\\_medical\\_practitioners/temporary\\_registration.html](http://www.healthprofessionals.gov.sg/content/hprof/smc/en/leftnav/becoming_a_registereddoctor/registration/register_of_medical_practitioners/temporary_registration.html) (Retrieved on 8 January 2015).

Singapore Nursing Board. "Foreign Trained Nurses and Midwives."

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/internationally\\_qualified\\_nurses\\_midwives.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/internationally_qualified_nurses_midwives.html) (Retrieved on 8 September 2014).

---. "Local Graduates."

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/local\\_graduates.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/local_graduates.html) (Retrieved on 28 September 2015).

---. "SNB Licensure Examinations."

[http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration\\_practising\\_certificate/registration\\_enrolment/snb\\_licensure\\_examinations.html](http://www.healthprofessionals.gov.sg/content/hprof/snb/en/leftnav/registration_practising_certificate/registration_enrolment/snb_licensure_examinations.html) (Retrieved on 8 September 2014).

Singapore Statutes Online. "Children and Young Persons Act (Chapter 38)."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;page=0;query=DocId%3A911aba78-1d05-4341-96b7-ee334d4a06f0%20%20Status%3Ainforce%20Depth%3A0;rec=0> (Retrieved on 31 July 2014).

—. "Constitution of the Republic of Singapore (Chapter CONST)."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=e9d2c6a1-07ab-4995-9495-de6288a93701;page=0;query=DocId%3A%22cf2412ff-fca5-4a64-a8ef-b95b8987728e%20%20Status%3Ainforce%20Depth%3A0;rec=0#legis> (Retrieved on 25 July 2014).

—. "Criminal Procedure Code (Chapter 68)."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=c1fb9e16-1e9c-4036-bcf1-5f8e52241e05;page=0;query=DocId%3A%223b4efefc-6d61-43ac-8b1c-8ccd8b86a972%20%20Status%3Ainforce%20Depth%3A0;rec=0#pr303-he-> (Retrieved on 31 July 2014).

—. "Dental Registration Act."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=b2b75256-3c6d-4290-81f8-77647c970971;page=0;query=DocId%3Aed257046-3eb6-490d-8c71-3757a86f4348%20Depth%3A0%20Status%3Ainforce;rec=0#Sc-> (Retrieved on 9 January 2015).

—. "Interpretation Act (Chapter 1)."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=cc712322-e364-4ae6-8eb0-7973ee09dc6c;page=0;query=DocId%3A%22d941b6c1-05c5-44e6-bd77->

dfbb48c7b95c%22%20Status%3Apublished%20Depth%3A0;rec=0#pr2-he-.

(Retrieved on 31 July 2014).

- . "Planning (Development Charge – Exemption) Rules."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=54533adc-5797-4878-81fc-7787f555da01;page=0;query=DocId%3A952f13de-0e3d-41f7-9a0e-b64bd582a3fb%20Depth%3A0%20ValidTime%3A01/09/2011%20TransactionTime%3A01/09/2011%20Status%3Ainforce;rec=0#pr3-he-> (Retrieved on 24 February 2015).

- . "Republic of Singapore Independence Act."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;page=0;query=DocId%3A%222cc15e67-cf27-44b1-a736-f28ab8190454%22%20Status%3Apublished%20Depth%3A0;rec=0> (Retrieved on 22 July 2014).

- . "Small Claims Tribunal Act (Cap.308)."

<http://statutes.agc.gov.sg/aol/search/display/view.w3p;ident=da115234-3905-47e3-aab0-a68742057655;page=0;query=DocId%3A%227b117bc4-0516-4935-8607-b9ebd7948d05%22%20Status%3Ainforce%20Depth%3A0;rec=0#pr5-he-> (Retrieved on 31 July 2014).

Sturzaker, Damian. "Arbitration in Asia." <http://www.mediate.com/articles/sturzakerd.cfm>  
↳ (Retrieved on 20 October 2014).

Swap, Klaus, ed. The Global Competitiveness Report 2014-2015 (Geneva: World Economic Forum, 2014).

Tan, Eugene, and Gary Chan. "The Singapore Legal System."

<http://www.singaporelaw.sg/sglaw/laws-of-singapore/overview/chapter-1#Section3>  
(Retrieved on 25 July 2014).

Tan, Kevin YL. "A Short Legal and Constitutional History of Singapore." In Essays in Singapore Legal History, ed. Kevin YL Tan, 27-72. Singapore: Singapore Academy of Law & Marshall Cavendish, 2005.

"The Independence of Singapore Agreement 1965," August 7, 1965, United Nations Treaty Collection, no.8206.

Thio Li-ann "Law and the Administrative State." In The Singapore Legal System, ed. Kevin YL Tan, 160-229. Singapore: Singapore University Press, 1999.

---. "Legal Systems in ASEAN- Singapore: Chapter 3 – Government and the State." [http://www.aseanlawassociation.org/papers/sing\\_chp3.pdf](http://www.aseanlawassociation.org/papers/sing_chp3.pdf) (Retrieved on 25 July 2014).

World Bank. Doing Business 2014 Economy Profile: Singapore: Comparing Business Regulations for Domestic Firms in 189 Economies. Washington, DC: World Bank, 2014.

Yeo Tiong Min, "Jurisdiction of the Singapore Courts," In The Singapore Legal System, ed. Kevin YL Tan, 249-96. Singapore: Singapore University Press, 1999.

Urban Redevelopment Authority (URA). "Conservation Guideline." <http://www.ura.gov.sg/uol/~media/User%20Defined/URA%20Online/Guidelines/Conservation/Cons-Guidelines.ashx> (Retrieved on 23 February 2015).

---. "Guidelines and Procedures." <http://www.ura.gov.sg/uol/guidelines/development-control/change-use-premises/sections/change-not-required.aspx> (Retrieved on 24 February 2015).

---. "Master Plan: View Planning Boundaries." <http://www.ura.gov.sg/uol/master-plan/Contacts/View-Planning-Boundaries.aspx> (Retrieved on ๑๙ September 2014).

---. "URA Map." <https://www.ura.gov.sg/uramaps/> (Retrieved on 24 February 2015).

World Bank. Doing Business 2014 Economy Profile: Singapore: Comparing Business Regulations for Domestic Firms in 189 Economies. Washington, DC: World Bank, 2014.

U.S. Department of State. "2014 Investment Climate Statement." <http://www.state.gov/documents/organization/227436.pdf> (Retrieved on 20 September 2015).

World Bank. Doing Business 2015: Going Beyond Efficiency (Washington, DC: World Bank, 2015), 4.



## Appendix





## Appendix 1 Custom Duties and Excise Duties Rates in Singapore (February 2014)

HS Code	Item	Rate	
		Custom Duties	Excise Duties
21069061	Alcoholic preparations in liquid form as raw material for making composite concentrates of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 88 / litre
21069062	Alcoholic preparations in other forms being raw material for making composite concentrates of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 113 / kg.
21069064	Alcoholic composite concentrates in liquid form for simple dilution with water of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 88 / litre
21069065	Alcoholic composite concentrates in other forms for simple dilution with water of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 113 / kg.
21069066	Other alcoholic preparations in liquid form of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 88 / litre
21069067	Other alcoholic preparations in other forms of a kind used for the manufacture of alcoholic beverages	Nil	S\$ 113 / kg.
22030010	Stout or porter	S\$ 16 / litre	S\$ 60 / litre
22030090	Other beer including ale	S\$ 16 / litre	S\$ 60 / litre
22041000	Sparkling wine	Nil	S\$ 88 / litre
22042111	Wine of fresh grapes not over 15% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22042113	Wine of fresh grapes over 15% but not over 23% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22042114	Wine of fresh grapes over 23% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22042121	Grape must with fermentation prevented or arrested by addition of alcohol not over 15% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22042122	Grape must with fermentation prevented or arrested by addition of alcohol over 15% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22042911	Wine of fresh grapes not over 15% alcoholic	Nil	S\$ 88 / litre

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	in containers of more than 2l		
22042913	Wine of fresh grapes over 15% but not over 23% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22042914	Wine of fresh grapes over 23% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22042921	Grape must with fermentation prevented or arrested by addition of alcohol not over 15% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22042922	Grape must with fermentation prevented or arrested by addition of alcohol over 15% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22043010	Other grape must not over 15% alcoholic	Nil	S\$ 88 / litre
22043020	Other grape must over 15% alcoholic	Nil	S\$ 88 / litre
22051010	Vermouth & other wine of fresh grape flavoured with plants or aromatic substances not over 15% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22051020	Vermouth & other wine of fresh grape flavoured with plants or aromatic substances over 15% alcoholic in containers of 2l or less	Nil	S\$ 88 / litre
22059010	Vermouth & other wine of fresh grape flavoured with plants or aromatic substances not over 15% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22059020	Vermouth & other wine of fresh grape flavoured with plants or aromatic substances over 15% alcoholic in containers of more than 2l	Nil	S\$ 88 / litre
22060010	Cider & perry	Nil	S\$ 88 / litre
22060020	Sake	Nil	S\$ 88 / litre
22060030	Toddy	Nil	S\$ 88 / litre
22060040	Shandy	Nil	S\$ 88 / litre
22060091	Other rice wine	Nil	S\$ 88 / litre
22060099	Other fermented beverages mixtures of fermented beverages & mixtures of fermented beverages & non-alcoholic beverages	Nil	S\$ 88 / litre
22071000	Undenatured ethyl alcohol of alcoholic	Nil	S\$ 88 / litre

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	strength by vol of 80% or more		
22082050	Brandy obtained by distilling grape wine or grape marc	Nil	S\$ 88 / litre
22082090	Other spirits obtained by distilling grape wine or grape marc	Nil	S\$ 88 / litre
22083000	Whiskies	Nil	S\$ 88 / litre
22084000	Rum & other spirits distilled from fermented sugar-cane products	Nil	S\$ 88 / litre
22085000	Gin & geneva	Nil	S\$ 88 / litre
22086000	Vodka	Nil	S\$ 88 / litre
22087000	Liqueurs & cordials	Nil	S\$ 88 / litre
22089010	Medicated samsu not over 40% alcoholic	S\$ 8 / litre	S\$ 88 / litre
22089020	Medicated samsu over 40% alcoholic	S\$ 8 / litre	S\$ 88 / litre
22089030	Other samsu not over 40% alcoholic	S\$ 8 / litre	S\$ 88 / litre
22089040	Other samsu over 40% alcoholic	S\$ 8 / litre	S\$ 88 / litre
22089050	Arrack or pineapple spirit not over 40% alcoholic	Nil	S\$ 88 / litre
22089060	Arrack or pineapple spirit over 40% alcoholic	Nil	S\$ 88 / litre
22089070	Bitters & similar beverages not over 57% alcoholic	Nil	S\$ 88 / litre
22089080	Bitters & similar beverages over 57% alcoholic	Nil	S\$ 88 / litre
22089090	Undenatured ethyl alcohol of less than 80% alcoholic & other spirituous beverages	Nil	S\$ 88 / litre
24011010	Tobacco unmanufactured not stemmed or stripped Virginia type flue cured	Nil	S\$ 352 / kg.
24011020	Tobacco unmanufactured not stemmed or stripped Virginia type not flue cured	Nil	S\$ 352 / kg.
24011040	Tobacco unmanufactured not stemmed or stripped Burley type	Nil	S\$ 352 / kg.
24011050	Other tobacco unmanufactured not stemmed or stripped flue cured	Nil	S\$ 352 / kg.
24011090	Other tobacco unmanufactured not stemmed or stripped not flue cured	Nil	S\$ 352 / kg.
24012010	Tobacco unmanufactured partly or wholly stemmed or stripped Virginia type flue cured	Nil	S\$ 352 / kg.
24012020	Tobacco unmanufactured partly or wholly stemmed or stripped Virginia type not flue	Nil	S\$ 352 / kg.

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	cured		
24012030	Tobacco unmanufactured partly or wholly stemmed or stripped Oriental type	Nil	S\$ 352 / kg.
24012040	Tobacco unmanufactured partly or wholly stemmed or stripped Burley type	Nil	S\$ 352 / kg.
24012050	Other tobacco unmanufactured partly or wholly stemmed or stripped flue cured	Nil	S\$ 352 / kg.
24012090	Other tobacco unmanufactured partly or wholly stemmed or stripped not flue-cured	Nil	S\$ 352 / kg.
24013010	Tobacco stems	Nil	S\$ 352 / kg.
24013090	Other tobacco refuse	Nil	S\$ 352 / kg.
24021000	Cigars cheroots & cigarillos containing tobacco	Nil	S\$ 388 / kg.
24022010	Beedies cigarettes	Nil	S\$ 299 / kg.
24022020	Clove cigarettes	Nil	s¢ 38.8 / g.
24022090	Other cigarettes containing tobacco	Nil	s¢ 38.8 / g.
24029010	Cigars cheroots & cigarillos of tobacco substitutes	Nil	S\$ 388 / kg.
24029020	Cigarettes of tobacco substitutes	Nil	s¢ 38.8 / g.
24031100	Water pipe tobacco specified in Subheading Note 1 to Chapter 24	Nil	S\$ 388 / kg.
24031911	Ang hoon packed for retail sale	Nil	S\$ 299 / kg.
24031919	Other smoking tobacco packed for retail sale	Nil	S\$ 388 / kg.
24031920	Other manufactured tobacco for the manufacture of cigarettes	Nil	S\$ 352 / kg.
24031990	Other smoking tobacco not packed for retail sale	Nil	S\$ 388 / kg.
24039110	Homogenised or reconstituted tobacco packed for retail sale	Nil	S\$ 388 / kg.
24039190	Homogenised or reconstituted tobacco not packed for retail sale	Nil	S\$ 388 / kg.
24039930	Manufactured tobacco substitutes	Nil	S\$ 388 / kg.
24039940	Snuff whether or not dry	Nil	S\$ 388 / kg.
24039950	Chewing & sucking tobacco excl snuff	Nil	S\$ 299 / kg.
24039990	Other manufactured tobacco not for smoking	Nil	S\$ 388 / kg.
27101211	Motor spirit of RON 97 & above leaded	Nil	S\$ 7.10 / decalitre
27101212	Motor spirit of RON 97 & above unleaded	Nil	S\$ 4.40 / decalitre

HS Code	Item	Rate	
		Custom Duties	Excise Duties
27101213	Motor spirit of RON 90 & above but under RON 97 leaded	Nil	S\$ 6.80 / decalitre
27101214	Motor spirit of RON 90 & above but under RON 97 unleaded	Nil	S\$ 4.10 / decalitre
27101215	Motor spirit of RON under 90 leaded	Nil	S\$ 6.30 / decalitre
27101216	Motor spirit of RON under 90 unleaded	Nil	S\$ 3.70 / decalitre
27112110	Natural gas used as motor fuel	Nil	s¢ 20 / kg.
33021010	Odoriferous alcoholic preparations in liquid form for manufacture of alcoholic beverages	Nil	S\$ 88 / litre
33021020	Odoriferous alcoholic preparations in other forms for manufacture of alcoholic beverages	Nil	S\$ 113 / kg.
87021010	CKD motor cars compression-ignition diesel or semi-diesel engine for transport of 10 or more persons including stretch limousines but excluding coaches buses minibuses or vans	Nil	20 %
87021060	Non CKD motor cars compression-ignition diesel or semi-diesel engine for transport of 10 or more persons including stretch limousines but excluding coaches buses minibuses or vans	Nil	20 %
87029012	CKD motor cars other than compression-ignition diesel or semi-diesel engine for transport of 10 or more persons including stretch limousines but excluding coaches buses minibuses or vans	Nil	20 %
87029092	Non CKD motor cars other than compression-ignition diesel or semi-diesel engine for transport of 10 or more persons including stretch limousines but excluding coaches buses minibuses or vans	Nil	20 %
87031090	Other golf similar vehicles or vehicles designed for travel on snow to transport persons excluding heading 87.02	Nil	20 %
87032122	CKD motor cars spark-ignition combustion reciprocating engine not over 1000cc four wheel drive	Nil	20 %
87032123	CKD motor cars spark-ignition combustion	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	reciprocating engine not over 1000cc excluding four wheel drive		
87032124	Non CKD motor cars spark-ignition combustion reciprocating engine not over 1000cc four wheel drive	Nil	20 %
87032129	Non CKD motor cars spark-ignition combustion reciprocating engine not over 1000cc excluding four wheel drive	Nil	20 %
87032131	Other CKD motor vehicles spark-ignition combustion reciprocating engine not over 1000cc four wheel drive	Nil	20 %
87032139	Other CKD motor vehicles spark-ignition combustion reciprocating engine not over 1000cc excluding four wheel drive	Nil	20 %
87032191	Non CKD ambulances spark-ignition combustion reciprocating engine not over 1000cc	Nil	20 %
87032192	Non CKD motor homes spark-ignition combustion reciprocating engine not over 1000cc	Nil	20 %
87032199	Other non CKD motor vehicles spark-ignition combustion reciprocating engine not over 1000cc	Nil	20 %
87032211	CKD motor cars spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc	Nil	20 %
87032219	Non CKD motor cars spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc	Nil	20 %
87032221	Other CKD vehicles spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc four wheel drive	Nil	20 %
87032229	Other CKD vehicles spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc excluding four wheel drive	Nil	20 %
87032291	Non CKD ambulances spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
87032292	Non CKD motor homes spark-ignition combustion reciprocating engine over 1000cc but not over 1500cc	Nil	20 %
87032299	Other vehicles with spark ignition internal combustion reciprocating piston engine with cylinder capacity over 1000 but not over 1500cc	Nil	20 %
87032310	Ambulances spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032321	CKD hearses spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032329	Non CKD hearses spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032331	CKD prison vans spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032339	Non CKD prison vans spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032340	Motor homes spark-ignition combustion reciprocating engine over 1500cc but not over 3000cc	Nil	20 %
87032351	CKD motor cars spark-ignition combustion reciprocating engine over 1500cc but not over 1800cc	Nil	20 %
87032352	CKD motor cars spark-ignition combustion reciprocating engine over 1800cc but not over 2000cc	Nil	20 %
87032353	CKD motor cars spark-ignition combustion reciprocating engine over 2000cc but not over 2500cc	Nil	20 %
87032354	CKD motor cars spark-ignition combustion reciprocating engine over 2500cc but not over 3000cc	Nil	20 %
87032361	Non CKD motor cars spark-ignition combustion reciprocating engine over	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	1500cc but not over 1800cc		
87032362	Non CKD motor cars spark-ignition combustion reciprocating engine over 1800cc but not over 2000cc	Nil	20 %
87032363	Non CKD motor cars spark-ignition combustion reciprocating engine over 2000cc but not over 2500cc	Nil	20 %
87032364	Non CKD motor cars spark-ignition combustion reciprocating engine over 2500cc but not over 3000cc	Nil	20 %
87032371	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 1500cc but not over 1800cc	Nil	20 %
87032372	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 1800cc but not over 2000cc	Nil	20 %
87032373	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 2000cc but not over 2500cc	Nil	20 %
87032374	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 2500cc but not over 3000cc	Nil	20 %
87032391	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 1500cc but not over 1800cc	Nil	20 %
87032392	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 1800cc but not over 2000cc	Nil	20 %
87032393	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 2000cc but not over 2500cc	Nil	20 %
87032394	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 2500cc but not over 3000cc	Nil	20 %
87032410	Ambulances spark-ignition combustion reciprocating engine over 3000cc	Nil	20 %
87032421	CKD hearses spark-ignition combustion reciprocating engine over 3000cc	Nil	20 %
87032429	Non CKD hearses spark-ignition combustion	Nil	20 %



HS Code	Item	Rate	
		Custom Duties	Excise Duties
	reciprocating engine over 3000cc		
87032431	CKD prison vans spark-ignition combustion reciprocating engine over 3000cc	Nil	20 %
87032439	Non CKD prison vans spark-ignition combustion reciprocating engine over 3000cc	Nil	20 %
87032441	CKD motor cars spark-ignition combustion reciprocating engine over 3000cc four wheel drive	Nil	20 %
87032449	CKD motor cars spark-ignition combustion reciprocating engine over 3000cc excluding four wheel drive	Nil	20 %
87032451	Non CKD motor cars spark-ignition combustion reciprocating engine over 3000cc four wheel drive	Nil	20 %
87032459	Non CKD motor cars spark-ignition combustion reciprocating engine over 3000cc excluding four wheel drive	Nil	20 %
87032470	Motor homes spark-ignition combustion reciprocating engine over 3000cc	Nil	20 %
87032481	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 3000cc four wheel drive	Nil	20 %
87032489	Other CKD motor vehicles spark-ignition combustion reciprocating engine over 3000cc excluding four wheel drive	Nil	20 %
87032491	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 3000cc four wheel drive	Nil	20 %
87032499	Other non CKD motor vehicles spark-ignition combustion reciprocating engine over 3000cc excluding four wheel drive	Nil	20 %
87033111	CKD motor cars compression-ignition combustion diesel or semi-diesel engine not over 1500cc four wheel drive	Nil	20 %
87033119	CKD motor cars compression-ignition combustion diesel or semi-diesel engine not over 1500cc excluding four wheel drive	Nil	20 %
87033120	Non CKD motor cars compression-ignition	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	combustion diesel or semi-diesel engine not over 1500cc		
87033140	Ambulances compression-ignition combustion diesel or semi-diesel engine not over 1500cc	Nil	20 %
87033150	Motor homes compression-ignition combustion diesel or semi-diesel engine not over 1500cc	Nil	20 %
87033181	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine not over 1500cc four wheel drive	Nil	20 %
87033189	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine not over 1500cc excluding four wheel drive	Nil	20 %
87033191	Other non CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine not over 1500cc four wheel drive	Nil	20 %
87033199	Other non CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine not over 1500cc excluding four wheel drive	Nil	20 %
87033210	Ambulances compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033221	CKD hearses compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033229	Non CKD hearses compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033231	CKD prison vans compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033239	Non CKD prison vans compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033242	CKD motor cars compression-ignition combustion diesel or semi-diesel engine	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	over 1500cc but not over 2000cc four wheel drive		
87033243	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc excluding four wheel drive	Nil	20 %
87033244	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc four wheel drive	Nil	20 %
87033249	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc excluding four wheel drive	Nil	20 %
87033252	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc four wheel drive	Nil	20 %
87033253	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc excluding four wheel drive	Nil	20 %
87033254	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc four wheel drive	Nil	20 %
87033259	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc excluding four wheel drive	Nil	20 %
87033260	Motor homes compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2500cc	Nil	20 %
87033271	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc four wheel drive	Nil	20 %
87033272	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	engine over 1500cc but not over 2000cc excluding four wheel drive		
87033273	Other CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc four wheel drive	Nil	20 %
87033279	Other CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc excluding four wheel drive	Nil	20 %
87033292	Other non CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc four wheel drive	Nil	20 %
87033293	Other non CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 1500cc but not over 2000cc excluding four wheel drive	Nil	20 %
87033294	Other non CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc four wheel drive	Nil	20 %
87033299	Other non CKD motor vehicles compression- ignition combustion diesel or semi-diesel engine over 2000cc but not over 2500cc excluding four wheel drive	Nil	20 %
87033310	Ambulances compression-ignition combustion diesel or semi-diesel engine over 2500cc	Nil	20 %
87033321	CKD hearses compression-ignition combustion diesel or semi-diesel engine over 2500cc	Nil	20 %
87033329	Non CKD hearses compression-ignition combustion diesel or semi-diesel engine over 2500cc	Nil	20 %
87033331	CKD prison vans compression-ignition combustion diesel or semi-diesel engine over 2500cc	Nil	20 %
87033339	Non CKD prison vans compression-ignition	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	combustion diesel or semi-diesel engine over 2500cc		
87033343	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2500cc but not over 3000cc four wheel drive	Nil	20 %
87033344	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2500cc but not over 3000cc excluding four wheel drive	Nil	20 %
87033345	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 3000cc four wheel drive	Nil	20 %
87033349	CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 3000cc excluding four wheel drive	Nil	20 %
87033353	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2500cc but not over 3000cc four wheel drive	Nil	20 %
87033354	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 2500cc but not over 3000cc excluding four wheel drive	Nil	20 %
87033355	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 3000cc four wheel drive	Nil	20 %
87033359	Non CKD motor cars compression-ignition combustion diesel or semi-diesel engine over 3000cc excluding four wheel drive	Nil	20 %
87033370	Motor homes compression-ignition combustion diesel or semi-diesel engine over 2500cc	Nil	20 %
87033381	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine over 2500cc four wheel drive	Nil	20 %
87033389	Other CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine over 2500cc excluding four wheel	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	drive		
87033391	Other non CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine over 2500cc four wheel drive	Nil	20 %
87033399	Other non CKD motor vehicles compression-ignition combustion diesel or semi-diesel engine over 2500cc excluding four wheel drive	Nil	20 %
87039011	Ambulances electrically powered	Nil	20 %
87039013	Other CKD motor vehicles electrically powered	Nil	20 %
87039019	Other non CKD motor vehicles electrically powered	Nil	20 %
87039050	CKD motor cars excluding spark & compression ignition diesel or semi-diesel combustion engine & electrically powered	Nil	20 %
87039070	Non CKD motor cars excluding spark & compression ignition diesel or semi-diesel combustion engine & electrically powered	Nil	20 %
87039080	Other CKD motor vehicles excluding spark & compression ignition diesel or semi-diesel combustion engine & electrically powered	Nil	20 %
87039090	Other non CKD motor vehicles excluding spark & compression ignition diesel or semi-diesel combustion engine & electrically powered	Nil	20 %
87060021	Chassis fitted with engines for motor cars for transport of 10 or more persons including stretch limousines but excluding coaches buses minibuses or vans	Nil	20 %
87060032	Chassis fitted with engines for ambulances	Nil	20 %
87060033	Chassis fitted with engines for motor cars	Nil	20 %
87060039	Chassis fitted with engines for other vehicles of heading 8703	Nil	20 %
87071020	Bodies including cabs for ambulances	Nil	20 %
87071090	Bodies including cabs for other vehicles of heading 8703	Nil	20 %
87079021	Bodies including cabs for motor cars for transport of 10 or more persons including	Nil	20 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
	stretch limousines but excluding coaches buses minibuses or vans		
87111012	CKD mopeds & motorised bicycles reciprocating internal combustion engine not over 50cc	Nil	12 %
87111013	Other CKD motorcycles or motor scooters reciprocating internal combustion engine not over 50cc	Nil	12 %
87111019	Other CKD cycles reciprocating internal combustion engine not over 50cc	Nil	12 %
87111092	Non CKD mopeds & motorised bicycles reciprocating internal combustion not over 50cc	Nil	12 %
87111093	Other non CKD motorcycles or motor scooters reciprocating internal combustion engine not over 50cc	Nil	12 %
87111099	Other non CKD cycles reciprocating internal combustion engine not over 50cc	Nil	12 %
87112010	Motocross motorcycles reciprocating internal combustion engine over 50 cc but not over 250 cc	Nil	12 %
87112020	Mopeds & motorised bicycles reciprocating internal combustion engine over 50 cc but not over 250 cc	Nil	12 %
87112031	CKD motorcycles including motor scooters reciprocating internal combustion engine over 150 cc but not over 200 cc	Nil	12 %
87112032	CKD motorcycles including motor scooters reciprocating internal combustion engine over 200 cc but not over 250 cc	Nil	12 %
87112039	CKD motorcycles including motor scooters reciprocating internal combustion engine over 50 cc but not over 150 cc	Nil	12 %
87112045	Other CKD cycles reciprocating internal combustion engine over 50 cc but not over 200 cc	Nil	12 %
87112049	Other CKD cycles reciprocating internal combustion engine over 200 cc but not over 250 cc	Nil	12 %

HS Code	Item	Rate	
		Custom Duties	Excise Duties
87112051	Non CKD motorcycles including motor scooters reciprocating internal combustion engine over 150 cc but not over 200 cc	Nil	12 %
87112052	Non CKD motorcycles including motor scooters reciprocating internal combustion engine over 200 cc but not over 250 cc	Nil	12 %
87112059	Non CKD motorcycles including motor scooters reciprocating internal combustion engine over 50 cc but not over 150 cc	Nil	12 %
87112090	Other non CKD cycles reciprocating internal combustion engine over 50 cc but not over 250 cc	Nil	12 %
87113010	Motocross motorcycles reciprocating internal combustion engine over 250 cc but not over 500 cc	Nil	12 %
87113030	Other CKD cycles reciprocating internal combustion engine over 250 cc but not over 500 cc	Nil	12 %
87113090	Other non CKD cycles reciprocating internal combustion engine over 250 cc but not over 500 cc	Nil	12 %
87114010	Motocross motorcycles reciprocating internal combustion engine over 500 cc but not over 800 cc	Nil	12 %
87114020	Other CKD cycles reciprocating internal combustion engine over 500 cc but not over 800 cc	Nil	12 %
87114090	Other non CKD cycles reciprocating internal combustion engine over 500 cc but not over 800 cc	Nil	12 %
87115020	CKD cycles reciprocating internal combustion engine over 800cc	Nil	12 %
87115090	Non CKD cycles reciprocating internal combustion engine over 800cc	Nil	12 %
87119051	CKD motorcycles electrically powered	Nil	12 %
87119052	Other CKD cycles excluding reciprocating internal combustion engine & electrically powered not over 200 cc	Nil	12 %
87119053	Other CKD cycles excluding reciprocating	Nil	12 %



HS Code	Item	Rate	
		Custom Duties	Excise Duties
	internal combustion engine & electrically powered over 200 cc but not over 500 cc		
87119054	Other CKD cycles excluding reciprocating internal combustion engine & electrically powered over 500 cc	Nil	12 %
87119091	Non CKD motorcycles electrically powered	Nil	12 %
87119099	Other non CKD cycles excluding reciprocating internal combustion engine & electrically powered	Nil	12 %