

## Singapore's Bogor Goals Progress Report (as at 8 August 2014)\*

### Highlights of Achievements and Areas for Improvement

- Almost all products can be imported tariff-free to Singapore.
- No export subsidies and no changes in import prohibitions and licensing in recent years.
- Import prohibitions or restrictions are applied for protection of public health, security, environmental matters or due to international commitments. Licenses are required for some products.
- Reforms to improve services regulatory frameworks in financial and legal sectors.
- Very open investment-friendly regime. Easiest place to do business according to World Bank's Doing Business reports for eight consecutive years.
- Few sectors keep restrictions on foreign investment.
- Domestic standards are aligned to international standards.
- Constant improvement in customs procedures with intensive use of IT applications and other measures.
- Very open government procurement system. Efficient online system and the GeBIZ Mall transaction fee has been eliminated.
- Comprehensive RTA/FTA network which continues expanding.

### Summary of Topics

#### Tariffs

Most of Singapore's imports are tariff free, except for beer made from malt (two tariff lines) and samsu (four tariff lines).

#### Non-Tariff Measures

Import prohibitions and other import restrictions are applied for protection of public health, public security or environment or to meet Singapore's international obligations. There is no change in import prohibitions and import licensing in recent years. Some of the import prohibitions are related to motor vehicles more than three years old and chewing gum for non-therapeutic purposes. Licenses are required to import some products (e.g. rice). Singapore does not maintain any subsidy schemes related to export performance requirements.

#### Services

Singapore maintains an open and transparent services regulatory regime, although there is still room for improvement. Measures have been implemented in recent years in some services to improve the regulatory framework. For example, in financial services, Singapore revised its risk-based capital framework to implement Basel III capital framework including raising the quantity and quality of capital and enhance risk coverage. Regulations on insurer's contingency reserves were also amended to align requirements with international practices. All Fund Management Companies must be registered or licensed and are subject to competency, business conduct and capital requirements.

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\* This brief report was prepared with information from Singapore's submission of 2014 APEC Individual Action Plan (IAP) template and the 2012 WTO Trade Policy Review – Report by the Secretariat – Singapore.

In legal services, from 2012, foreign lawyers employed within a Singapore Law Practice (SLP) are allowed to take a higher equity share and profits of a Singapore Law Practice of up to one-third; beyond the 25 per cent permitted under the previous framework. Similarly, the Formal Law Alliance and Joint Law Venture frameworks have now been enhanced to enable the collaborating SLP and foreign law practice to take equity share and profits of the SLP, at both individual and entity levels, up to the one-third cap. The Qualifying Foreign Law Practice (QFLP) scheme was introduced in 2008, to allow Foreign Law Practices awarded a QFLP licence to practise in permitted areas of Singapore law<sup>1</sup>. As of 24 April 2014, there are 10 QFLPs in Singapore.

### **Investment**

Singapore maintains an investment-friendly regime. According to the World Bank's Doing Business reports, Singapore remains the easiest place to do business for the eighth consecutive year. Very few sectors are restricted to foreign investors (e.g. broadcasting services). 42 Bilateral Investment Treaties are in force, two of them were implemented in the period 2012-2013. Moreover, Singapore has put in force 14 RTA/FTAs with investment chapters. Two of the RTA/FTAs investment commitments entered into force between 2012 and 2013.

### **Standards and Conformance**

Domestic standards are aligned with international standards. Whenever possible, international standards are used or referred to facilitate trade and market access. They may be adopted or adapted as domestic standards if they are suitable to be used locally.

Singapore continues to participate actively in both international and regional standardization forums, promoting Mutual Recognition Agreements (MRAs) among regulators and also cooperation among National Standards Bodies.

### **Customs Procedures**

Singapore continues giving high priority to initiatives aiming to facilitate and secure trade through more efficient and faster customs procedures. In this sense, the intensive use of information technology and automation is a common feature that allows companies to generate substantial savings in resources. The TradeXchange eCO Preparation Services was launched in July 2013 and allows shippers or authorized agents to re-use data from Customs' approved permits to apply for non-preferential Certificates of Origin electronically.

Among other measures, the Declaring Agent Governance Framework entered into force on 1 July 2013 with the intention of having a more efficient risk profiling of the declaring agent and proceed with a more expedite clearance of legitimate trade goods. The Advance Export Declaration, which requires all declarations to be submitted before the goods are exported, was put in force on 1 April 2013.

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<sup>1</sup> "Permitted areas of Singapore Law" are mainly commercial areas of law, and exclude domestic areas of legal practice such as (a) constitutional and administrative law, (b) conveyancing, (c) criminal law, (d) family law, (e) succession law, including wills, intestate succession and probate and administration, and (f) conduct of litigation.

### **Intellectual Property Rights**

Singapore unveiled an IP Hub Masterplan in April 2013 to establish Singapore as an IP hub in Asia for IP Transactions and Management, Quality IP Filings and IP Dispute Resolution.

### **Competition Policy**

In July 2012, The Competition Commission of Singapore (CCS) published a revised set of guidelines on merger procedures, which, among others, includes information to enable parties to conduct a self-assessment before filing a merger notification, an option to seek confidential pre-notification advice from CCS, and information on stipulated turnover thresholds that CCS is unlikely to investigate a merger which involves small companies..

CCS is currently reviewing the competition legislation and guidelines to ensure they remain relevant and are in line with international best practices. Public consultations to gather feedback on the proposed changes will take place sometime in third quarter 2014.

### **Government Procurement**

The government procurement system is very open. The government online procurement portal, GeBIZ, stopped charging the 0.8 per cent transaction fee (though the one-time subscription fee still applies) for using GeBIZ Mall (an online shopping mall where government agencies can browse and make orders). This helps small-scale suppliers to lower their costs of doing small-value direct transactions.

To allow suppliers with more time to prepare and respond quotations, the minimum opening period for quotations was increased from four to seven days.

### **Deregulation/Regulatory Reform**

Singapore reported the completion of a comprehensive review of the Companies Act in October 2012, in order to ensure that Singapore keeps a competitive business environment. The Bill is targeted to be tabled in Parliament in the second half of 2014.

### **Mobility of Business People**

The Immigration and Checkpoints Authority launched iCollect on 1 April 2013. iCollect is a self-service machine, which allows the collection of secure documents after the applicants' identities have been verified using biometric technology.

### **RTA/FTAs**

Singapore has a comprehensive network of RTA/FTAs, with 20 agreements in force<sup>2</sup>. Since the last 2012 Bogor Goals Progress Report, Singapore has announced two more RTA/FTAs in force (with the Gulf Cooperation Council and Costa Rica) and has substantially concluded the negotiations of the FTA with the European Union. Singapore is currently participating in the

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<sup>2</sup> Singapore's RTA/FTAs in force are the following ones: ASEAN (1992), Singapore-New Zealand (2001), Singapore-Japan (2002), Singapore-EFTA (2003), Singapore-Australia (2003), Singapore-United States (2004), Singapore-Jordan (2005), ASEAN-China (2005), Singapore-India (2005), Singapore-Korea (2006), P4 (2006), Singapore-Panama (2006), ASEAN-Korea (2007), Singapore-Peru (2009), Singapore-China (2009), Singapore-GCC (2013), ASEAN-Japan (2008), ASEAN-Australia-New Zealand (2010), ASEAN-India (2010), Singapore-Costa Rica (2013).

negotiations of the Trans-Pacific Partnership Agreement and the Regional Comprehensive Economic Partnership.