

REQUIREMENTS FOR FOREIGN TRADE IN SERVICES SINGAPORE

General Requirements

- Commercial presence, right of establishment and movement of juridical persons are subject to the following provisions:
 - a foreigner who wishes to register a business firm must have a local manager who should be a Singapore citizen or a Singapore Permanent Resident or a Singapore Employment Pass holder. (However, a foreigner who is a Singapore Permanent Resident or a Singapore Employment Pass holder can register a business without appointing a local manager.)
 - at least one director of the company must be locally resident
 - all branches of foreign companies registered in Singapore -must have at least 2 locally resident agents. (To qualify as locally resident, a person should be either a Singapore citizen or Singapore Permanent Resident or Singapore Employment Pass holder.)
- Entry for intra-corporate transferees (at the level of managers, executives and specialists) is limited to a two year period that may be extended for up to three additional years each time for a total term not exceeding eight years.

Business Services

Legal Services

- Foreign law firms:
 - can provide legal services with respect to Singapore law only through a Joint Law Venture (JLV), Formal Law Alliance (FLA) with a Singapore law firm or Representative Office (liaison or promotional work only).
 - cannot practice Singapore law, employ Singapore lawyers to practice Singapore law or litigate in local courts
 - hold foreign equity in a local law firm up to an aggregate limit of 25% of total equity or profits
- Requirement of registration with the the Attorney General for all foreign law firms:
 - providing legal services in Singapore
 - wishing to set up as representatives offices (to serve only as liaison offices and without carrying out business activities).
- Registration requirements for a foreign lawyer:
 - register with the Attorney General through their respective Singapore law firms, foreign law firms or Joint Law Ventures where they work as partners, directors, employees or trainees.
 - be a partner, director, employee of a Singapore law firm for not less than one year or who is practising foreign law in Singapore under a Joint Law Venture between a foreign law firm and a Singapore law firm
 - have academic qualifications from reputable law schools
 - relevant work experience including one year offshore legal work experience in Singapore.
 - pass qualifying examination

- For the purpose of admission to practice law in Singapore, no foreign law university degree is recognised except from US, Australia, New Zealand, UK.

Engineering/Architectural Services

- Commercial presence is allowed through Limited Corporations, Unlimited Corporations, Multi-Disciplinary Partnerships and/or Limited Liability Partnerships.
- For Limited and Unlimited Corporations:
 - at least 51% of its directors shall be registered professional engineers/architects or allied professionals who each has in force a valid practising certificate.
 - the business of the corporation, so far as it relates to professional engineering work/ architectural services, will be under the control and management of a director of the corporation who is a registered professional engineer/architect who has in force a valid practicing certificate.
- For Multi-Disciplinary Partnerships
 - The beneficial interest in the capital assets and profits of the partnership must be held by registered professional engineers/architects and allied professionals who each has in force a valid practicing certificate.
 - the business of the partnership, so far as it relates to professional engineering work/ architectural services, will be under the control and management of a partner who is a registered professional engineer/architect who has in force a valid practicing certificate.
- For Limited Liability Partnerships
 - at least one of the partners of the limited liability partnership is a registered professional engineer/architect who each has in force a valid practicing certificate.
 - the business of the limited liability partnership, so far as it relates to professional engineering work/ architectural services will be under the control and management of a partner who is a registered professional engineer/architect who has in force a valid practicing certificate.
- For cross-border supply, the implementation of engineering works/ architectural services, which require approval by the authorities, has to be carried out by a professional engineer/architect physically present in Singapore.

Accounting, Auditing, and Book-Keeping Services

- Requirement of residency for public accountants or at least one of the partners of the firm.

Rental and Leasing of Studio Recording Equipment

- Commercial presence is allowed through joint venture, and foreign equity is limited to 51%.

Communication

Telecommunication Services

- Commercial presence is allowed through joint venture with the following conditions:
 - provision of VAN services is subject to requirement of a license
 - foreign companies are required to either set up a local branch of their company registered with the Registry of Companies and Businesses or grant a power of attorney to a local agent for the provision of their VAN services.
- Foreign equity is limited to a cumulative total of 73.99% foreign shareholding, based on 49% direct investment and 24.99% indirect investment in the following:
 - basic *telecommunication services (facilities-based)*:
 - public switched services (local and international)
 - leased circuit services (local and international)
 - mobile *services*:
 - public mobile data service,
 - public trunked radio service,
 - public radio paging service and
 - public cellular mobile telephone service
- Value - Added Network (VAN)¹ services should not cover traffic which resembles any of the basic telecommunication services.

Broadcasting/Media Services

- Foreign equity ownership of broadcasting/media companies:
 - is limited to 49%, although the Media Development Authority (MDA) has the authority to waive this requirement.
 - individual equity ownership (local or foreign) is limited to 5% per shareholder, unless the government approves a larger shareholding
 - requirement for all the directors of a newspaper company be Singapore citizens
 - two classes of shares for newspaper company, ordinary and management, with the latter available only to citizens of Singapore or to Singapore companies
- Use of satellite dishes is restricted and direct-to-home satellite television services are not authorised.

Construction

- For leasing or rental services concerning construction machinery and equipment services without an operator: foreign equity is limited to 30%

Healthcare-Related and Social Services

- Commercial presence is allowed with foreign equity up to 70% for:
 - Private hospital services
 - ambulance services
 - laboratories licensed under the Private Hospitals and Medical Clinics

¹ Includes: store-and-retrieve VAN services (S&R), store-and-forward VAN services (S&F), electronic mail, voice mail, on-line information and data base retrieval, electronic data Interchange, code and protocol conversion, on-line information and/or data processing

- Singapore retains the discretion to determine whether a non-resident service supplier may solicit business or conduct active marketing in Singapore and Unbound for facilities/ service operations run by non-profit service suppliers that are partially or totally state-funded for:
 - social services delivered through residential institutions to old persons and the handicapped
 - social services delivered through residential institutions to children and other clients
 - child day-care services including day-care services for the handicapped
 - vocational rehabilitation services
 - welfare services not delivered through residential institutions
 - other social services without accommodation

Medical Services (General and Specialised Medical Services)

- The number of new foreign doctors registered each year may be limited depending on the total supply of doctors.
- Period of conditional registration (period of supervised practice before registration) is:
 - 2 years for foreign specialist
 - 4 years for foreign non-specialist

Tourism and Travel-Related Services

Beverage Serving Services for Consumption on the Premises

- Commercial presence is allowed with foreign equity up to 70%.
- Only a Singapore citizen or permanent resident can apply for a license to operate a food establishment in places such as hawker centres, restaurants and cafes, in their personal capacity.

Food Serving Services, and Retail Sales of Food²:

- Only a Singapore citizen or permanent resident can apply for a license to operate a food establishment in places such as hawker centres, restaurants and cafes, in their personal capacity.

Transport Services

- Commercial presence is allowed through joint venture, and foreign equity is limited up to 51% for:
 - maintenance and repair vessels
 - vessels salvage and re-floating services
- Statutory services for Singapore flag ships are not open for foreigners.

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² “Retail sales of food” is not scheduled under AFAS.