Trade Regulations and Standards in Singapore

Import Tariffs

Singapore is generally a free port and an open economy. More than 99% of all imports into Singapore enter the country duty-free. For social and/or environmental reasons, Singapore levies high excise taxes on beer, wine and liquor, tobacco products, motor vehicles and petroleum products. Singapore levies a 7% Goods and Services Tax (GST). For dutiable goods, the taxable value for GST is calculated based on the CIF (Cost, Insurance and Freight) value plus all duties and other charges. In the case of non-dutiable foods, GST will be based on the CIF value plus any commission and other incidental charges whether or not shown on the invoice. If the goods are dutiable, the GST will be collected simultaneously with the duties.

Trade Barriers

Singapore maintains one of the most liberal trading regimes in the world, but U.S. companies face several trade barriers. The country maintains a tiered motorcycle operator licensing system based on engine displacement, which, along with a road tax based on engine size, places U.S. exports of large motorcycles at a competitive disadvantage.

Singapore Agri-food and Veterinary Authority (AVA) enforces a zero tolerance policy for salmonella enteriditis and E-coli E.0157 in raw meat products, which is not consistent with international standards and has posed some difficulties for U.S. exporters. After the discovery of BSE in the United States in December 2003, AVA banned beef imports from the United States. Singapore’s BSE policy has evolved. Singapore used to require six years with no BSE detections in order to allow beef trade, but in January 2006 Singapore announced the re-opening of its market to U.S. boneless beef from animals under 30 months of age. Singapore continues to ban imports of U.S. bone-in beef, and beef and beef products derived from animals 30 months of age or older. The U.S. Government will continue to raise its concerns on this issue to achieve Singapore's compliance with OIE guidelines that outline how the full range of beef and beef products from animals of all ages can be safely imported from countries that are recognized by the OIE as having a controlled risk status for BSE. The United States was officially categorized by the OIE as a BSE controlled risk country in May of 2007.
As a result of the FTA, Singapore allows the importation of chewing gum with therapeutic value for sale, subject to certain requirements.

There are also restrictions in several other sectors, such as news media, legal services, some financial and banking services, telecommunication services, professional engineering services, trade in tobacco products and residential property. However, the telecommunications, power, financial and legal services are progressively being liberalized, allowing more freedom for market forces in the economy.

**Import Requirements and Documentation**

Companies must make an inward declaration for all goods imported into Singapore. All imports require an import permit although this is largely a statistical requirement for most goods.

**Bona Fide Trade Samples**

Import of trade samples for which the total value is below US$270 (S$400) are not subject to payment of duty and/or GST. In addition, no permit is required for their import. Bona fide trade samples (excluding liquors and tobacco) may be imported if they are imported solely for the purpose of soliciting orders for goods to be supplied from abroad, for demonstration in Singapore to enable manufacturers in Singapore to produce such articles to fulfill orders from abroad or by a manufacturer for the purpose of copying, testing or experimenting before they produce such articles in Singapore.

**Medicinal Products Import Regulations**

All medicinal products, prescription and over-the-counter pharmaceuticals imported or sold in Singapore are required to be licensed by the Health Sciences Authority. The onus of applying for a product license rests with the license holder, i.e., a locally registered company that is responsible for the safety, quality and efficacy of the product. If U.S. companies have concerns regarding product licensing, they should contact the Health Sciences Authority or ask a potential distributor to submit samples to the Health Sciences Authority.

**U.S. Export Controls**

Companies wanting to export controlled items to Singapore must apply for licenses from the appropriate government agencies in the United States. U.S. goods being reexported from intermediary consignees in Singapore to ultimate consignees in third countries require specific licensing. The Bureau of Industry and Security (BIS) is responsible for implementing and
enforcing the Export Administration Regulations (EAR), which regulate the export and re-export of certain commercial items while other U.S government agencies regulate more specialized exports. For example, the U.S. Department of State has authority over defense articles and defense services.

**Temporary Entry**

Goods are allowed to be imported without payment of duty and/or GST for repairs and other approved purposes such as stage performances, testing, experiments and demonstration on condition that they are re-exported within three months from the date of importation. If the goods are not re-exported, duly/or GST will be payable.

Admission Temporaire/Temporary Admission (ATA) Carnet A foreign exhibitor may import exhibition goods into Singapore using an ATA carnet. When the exhibitor arrives in Singapore the carnet must be produced together with the goods to Customs at the entry point for verification and endorsement. When goods covered by a carnet are taken out of Singapore the foreign exhibitor must produce the carnet together with the goods to Customs at the exit point for verification and endorsement. GST will be recovered from the carnet holder on any item that is unaccounted for.

**Labeling and Marking Requirements**

Labels are required on imported food, drugs, liquors, paints and solvents and must specify the country of origin. Repackaged foods must be labeled to show (in English) the appropriate designation of food content printed in capital letters at least 1/16 inch high; whether foods are compounded, mixed or blended; the minimum quantity stated in metric net weight or measure; the name and address of the manufacturer or seller; and the country of origin.

A description (in English) of the contents of the package may be added to the face of the label provided the additional language is not contrary to or a modification of any statement on the label. Illustrations must accurately describe the true nature or origin of the food. Foods having defined standards must be labeled to conform to those standards and be free from added foreign substances. Packages of food described as “enriched”, “fortified”, “vitaminized” or in any other way that implies that the article contains added vitamins or minerals must show the quantity of vitamins or minerals added per metric unit. Special labels are required for certain foods, medicines and goods such as edible and non-edible animal fats as well as liquors, paints and solvents.

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

**Prohibited and Restricted Imports**

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

Generally, the import of goods that the government determines as posing a threat to health, security, safety and social decency is controlled.

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

**Customs Regulations and Contact Information**

**Customs Regulations**

In Singapore valuation for customs purposes is based on the Customs Valuation Code (CVC). The primary basis for Customs value is the transaction value of the imported goods when sold for export to Singapore. Where goods are dutiable ad valorem or specific rates may be applied. An ad valorem rate, which is most commonly applied, is a percentage of the Customs value of the imported goods. A specific rate is a specified amount per unit of weight of other quantity.

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

Singapore has seven Free Trade Zones (FTZ) – six for sea borne cargo and one for air cargo (Singapore Changi Airport) – within which a wide range of facilities and services are provided for storage and re-export of dutiable and controlled goods. Goods can be stored within the zones without any customs documentation until they are released in the market and they can also be processed and re-exported with minimum customs formalities.

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

The FTZs at the port facilitate entrepot trade and promote the handling of transshipment cargo. They offer free 72-hour storage for import/export of conventional and containerized cargo and 140-day free storage for transshipment/re-export cargo. PSA International (formerly the Port of Singapore Authority) is the single largest owner of warehouse space in Singapore, managing over 500,000 square meters of space. It manages the Tanjong Pagar, Alexandra and Pasir Panjang Distriparks. Located close to the port and within easy reach of the airport and Jurong Industrial hub, the PSA distriparks are home to many established multinationals. The distriparks in varying designs and size cater to Central Distribution Center operators, manufacturers, traders, forwarders and others.

Standards

Overview

Singapore uses the metric system. Industrial standards used in its engineering and construction industries are similar to those used by other developed countries.

Singapore’s national standardization program is administered by SPRING Singapore (formerly the Standards, Productivity and Innovation Board), the national standards authority. It establishes and publishes Singapore Standards by publication in the Government Gazette. The Standardization Division in SPRING represents Singapore in regional and international standards activities and promotes the alignment of national standards to international standards. SPRING also coordinates the Singapore Standardization Program under the guidance of an industry-led national Standards Council, which comprises representatives from the private and public sectors.

The Standards Council formulates the strategies and direction for the standardization program. All standardization work is carried out by the standards partners with the Standardization Division
providing secretariat support to the Council. Various standards committees, technical committees and working groups are appointed to draft standards.

The Standardization Division also works with industry to develop various Singapore Standards to enhance productivity and competitiveness for adoption and implementation. In Singapore, compliance to Singapore Standards is voluntary. However, they become mandatory when used by government bodies in regulations or administrative requirements for safety, environmental and health issues.

All Singapore Standards are reviewed once every five years to consider whether they should be confirmed, revised, amended, archived or withdrawn. However, if the need arises, Singapore Standards may be reviewed before the end of the five-year period. Requests for the development or review of a standard may come from the public, industry, academia or government.

Standards Organizations

Besides being the national standards authority in Singapore, SPRING is also the national accreditation body. SPRING manages the Singapore Accreditation Council (SAC). The SAC's primary function is to accredit conformity assessment bodies based on international standards. Accreditation is an endorsement of an organization's competence, credibility, independence and integrity in carrying out its conformity assessment activities. This endorsement is manifested in the use of the SAC mark of accreditation when it accredits an organization or on test reports and calibration.

SPRING is Singapore’s representative to the International Organization for Standardization (ISO). SPRING has been actively involved in both the policy and technical levels of the ISO. Singapore is also a member of the International Electrotechnical Commission (IEC) through the Singapore National Committee of the IEC.

SPRING represents Singapore’s interest in regional standards and conformance by participating actively in regional standardization such as in the Asia Pacific Economic Cooperation (APEC) Sub-Committee on Standards & Conformance (SCSC), the ASEAN Consultative Committee for Standards & Quality (ACCSQ) and the Pacific Area Standards Congress (PASC).

Use the NIST Notify U.S. Service to comment on foreign standards. Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect
trade with other Member countries. Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets.

**Conformity Assessment**

The Singapore Accreditation Council has signed a number of multilateral mutual recognition arrangements (MRAs/MLAs). These include:

- Asia Pacific Laboratory Accreditation Cooperation (APLAC) MRA for Testing, Calibration and Inspection
- Pacific Accreditation Cooperation (PAC) MLA for Quality Management System Certification and Product Certification
- International Accreditation Forum (IAF) MLA for Quality Management System Certification and Product Certification
- Bilateral Agreement with MLA members of European Cooperation for Accreditation (EA) for Testing and Calibration
- International Laboratory Accreditation Cooperation (ILAC) MRA for Testing and Calibration

The Singapore Accreditation Council is the first body outside the United States to operate a joint program with the College of American Pathologists (CAP) for accreditation of medical testing laboratories in Singapore. The CAP program is often regarded as the "gold standard" within the medical fraternity. The joint accreditation program with CAP helps to raise the level of confidence in medical testing services in Singapore.

**Product Certification**

SPRING is appointed by the Ministry of Trade and Industry (MTI) as the Safety Authority to administer the Consumer Protection (Safety Requirements) Registration Scheme (CPS Scheme). It ensures that consumer products gazetted as controlled goods meet the specified safety standards and are safe for use.

On April 1, 2002, the Consumer Protection (Safety Requirements) Regulations 1991 was replaced by the Consumer Protection (Safety Requirements) Regulations 2002. The new regulations mandate conformity assessment based on third party conformity assessment bodies’ certification.
Registration of controlled goods with SPRING is mandatory before they can be advertised, traded or displayed for sale in Singapore. There are 45 categories of electrical, electronics and gas home appliances and accessories listed as controlled goods. These include adaptors, LPG systems, cooking ranges, electric irons, gas cookers, hair dryers, microwave ovens, televisions, video display units, video cassette recorders, table fans, high-fidelity equipment, immersion water heaters, kettles, refrigerators, rice cookers, room air-conditioners, vacuum cleaners and washing machines. To date, SPRING has registered more than 40,000 models of controlled goods.

The main functions of the Safety Authority are:

- Register controlled goods
- Register suppliers of controlled goods
- Educate consumers and traders on the SAFETY Mark and the CPS Scheme
- Investigate complaints, incidents and accidents involving consumer products
- Designate Conformity Assessment Bodies and Recognized Testing Laboratories.

The Safety Authority also works with the Consumers Association of Singapore (CASE) to protect the interests of consumers with regards to controlled goods.

Accreditation

The Singapore Accreditation Council currently operates accreditation programs in the following areas:

- Accreditation of calibration and testing laboratories covering chemical, biological, environmental, medical, medical imaging, electrical, non-destructive testing, and testing related to civil and mechanical engineering

- Accreditation of inspection bodies for areas such as industrial pressure vessels and lifting equipment, motor vehicle, structural steelwork and cargo

- Accreditation of quality management system (ISO 9001) certification bodies

- Accreditation of environmental management system (ISO 14001) certification bodies

- Accreditation of product certification bodies

- Accreditation of occupational safety and health management system (OSHMS) certification bodies

- Accreditation of Hazard Analysis and Critical Control Points (HACCP) food safety management system certification bodies
Accreditation of food safety (ISO 22000) certification bodies

Publication of Technical Regulations:

The Singapore Standards eShop offers Singapore Standards and Technical References for sale. Singapore Standards are nationally recognized documents, established by consensus. They are functional or technical requirements in the form of specifications for materials, product system or process, codes of practice, methods of test, terminologies, and guides etc.

Technical References (TR) are transition documents developed to help meet urgent industry demand for specifications or requirements on a particular product, process or service in an area where there is an absence of reference standards. Unlike Singapore Standards, TRs are not gazetted and are issued without going through the full consensus process. They are pre-standards 'tested' over two years before assessment on their suitability for approval as Singapore Standards. TRs can, therefore, become Singapore Standards after two years, continue as Technical References for further comments, or be withdrawn.

SPRING has appointed SNP Corporation Pte Ltd to manage the sale of the Singapore Standards and Technical References, as well as international and overseas standards that SPRING is permitted to sell in Singapore.

Labeling and Marking:

The “SAFETY Mark” is given by SPRING for all registered controlled goods. The “SAFETY Mark” helps consumers and traders to identify registered controlled goods. All registered controlled goods must be individually marked with the “SAFETY Mark” either on the product or packaging. The “SAFETY Mark” comprises a "safety logo" enclosed in a square on the left and the words "SAFETY MARK" within a rectangle on the right. Below these is a unique 8-digit registration number traceable to the registrant and the registered models.

U.S. suppliers (or their local representative) of controlled products planning to expand sales into Singapore should check with SPRING before exporting.

Telecommunication equipment imported for use in Singapore is subject to “Type Approval” by the Infocomm Development Authority of Singapore.
For the construction industry, the Building and Construction Authority uses the Construction Quality Assessment System (CONQUAS) to objectively rate building works.

Trade Agreements

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

In tandem with its support of the WTO Singapore advocates that trade efforts are undertaken in the regional context such as APEC, ASEM and ASEAN (Association of Southeast Asia Nations) as well as bilateral Free Trade Agreements (FTAs) accelerate the momentum of trade liberalization and strengthen the multilateral trading system. It has actively pursued a number of legally binding arrangements with trading partners. ASEAN is preparing a roadmap for an ASEAN Economic Community by 2020 that aims to create a single enlarged market of 550 million people.

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

Read the full market research report