

DOING BUSINESS GUIDE

Singapore





Contents



1. Why Singapore	02
1.1. Economy overview	03
1.2. Sectoral snapshots	05
2. Understanding Singapore	08
2.1. Business culture	09
2.2. Managing risks	12
3. How to enter the market	14
3.1. Exporting to Singapore	15
3.2. Investing in Singapore	19
3.3. Go to market strategy	24
3.4. Developing your market entry strategy	28
4. Business practicalities	30
4.1. Laws and regulations	31
4.2. Customs duties	33
4.3. Taxation	34
4.4. Audit and accountancy	36
4.5. Employing workers	37
4.6. Banking	40
5. Appendices	42
5.1. Singapore country information	43
5.2. Useful contacts and support resources	48
5.3. References	49
5.4. A note on currency	49
5.5. Acknowledgements	49
5.6. Disclaimer	49

1. Why Singapore



Singapore's size and population may be small, but its connectivity, favourable business environment and highly skilled workforce have transformed it into a global hub for trade, finance and investment. It accounts for most global foreign investment into Southeast Asia, is an established regional headquarters for thousands of multinational firms and consistently ranks as one of the world's best places to do business. Singapore's adoption of digital technologies and sustainability solutions is positioning it for strong future growth, presenting a range of new opportunities for businesses looking to engage with one of Southeast Asia's most dynamic economies.



1.1. Economy overview

Ranked as the world's best place to do business in 2024, Singapore is core to the functioning of many global value chains. In 2023, over 38 million containers passed through the city-state, making it the second busiest port in the world. In value terms, nearly 55 per cent of these goods – ranging from raw materials to finished products – were re-exported to other countries in Asia and outside the region.

Singapore plays a similarly important role in Southeast Asia's capital flows. In 2023, it made up nearly two-thirds of total FDI inflow into Southeast Asia and accounted for more than 91 per cent of all mergers and acquisitions in the region. Its role as a financial centre is unrivalled in Southeast Asia, ranking 3rd in the Global Financial Centre Index.

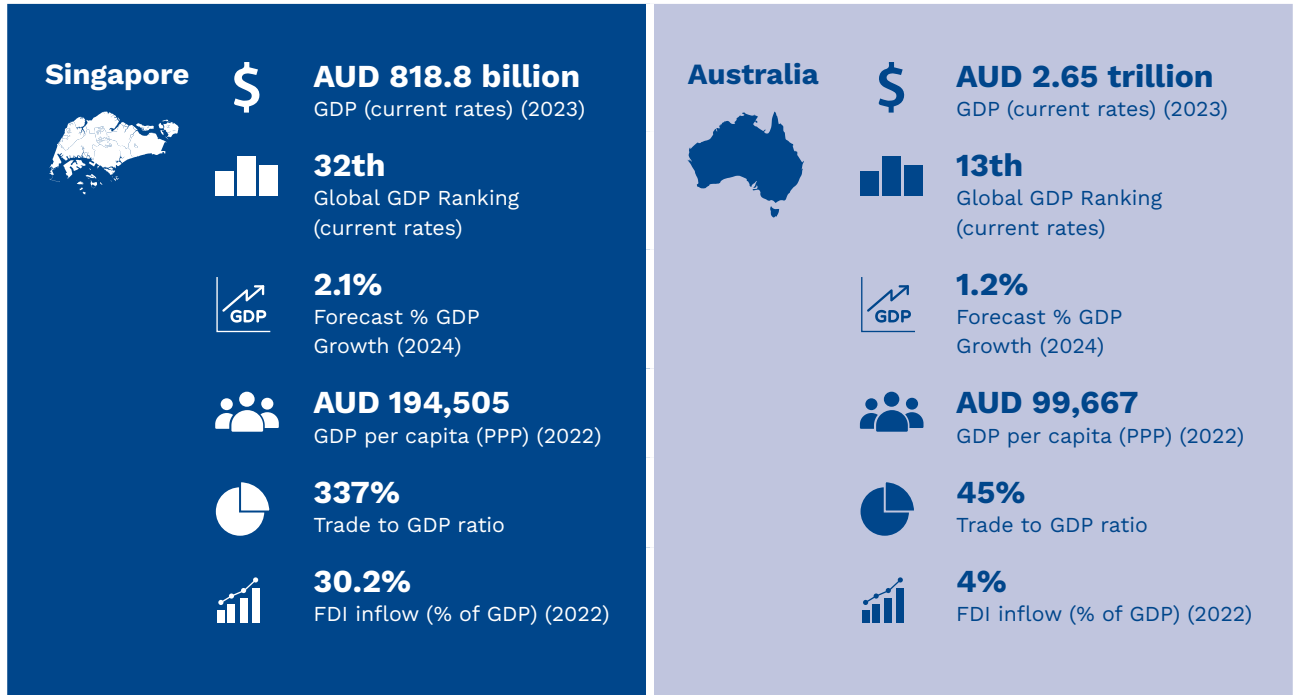
Widely viewed as among the most influential members of ASEAN and a driving force behind the bloc's major trade agreements, Singapore played a key role in the development of the Regional Comprehensive Economic Partnership (RCEP), the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) and the

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Its promotion of ASEAN's interests in an environment of strategic competition has enabled solid relationships with both the US and China.

Singapore is Australia's largest trade and investment partner in Southeast Asia. In 2023, two-way trade totalled AUD 50.9 billion. Since completing the Singapore-Australia Free Trade Agreement (SAFTA) in 2003, the two countries have signed the Digital Economy Agreement in 2020 and the Green Economy Agreement in 2022. The Australian Government's [Southeast Asia Economic Strategy to 2040](#) has identified Singapore as a key financial and commercial hub for regional trade and investment. More information is available in [Section 5.1](#) and from the Department of Foreign Affairs and Trade's [Singapore Country Brief](#).

Singapore's favourable business environment, per capita spending power and gateway location to the wider region present a range of opportunities for Australian businesses. For those contemplating trade and investment with Singapore itself, or as a base for expansion into the vibrant economies of Southeast Asia, it is an ideal market to start.

Comparing key indicators: Singapore and Australia

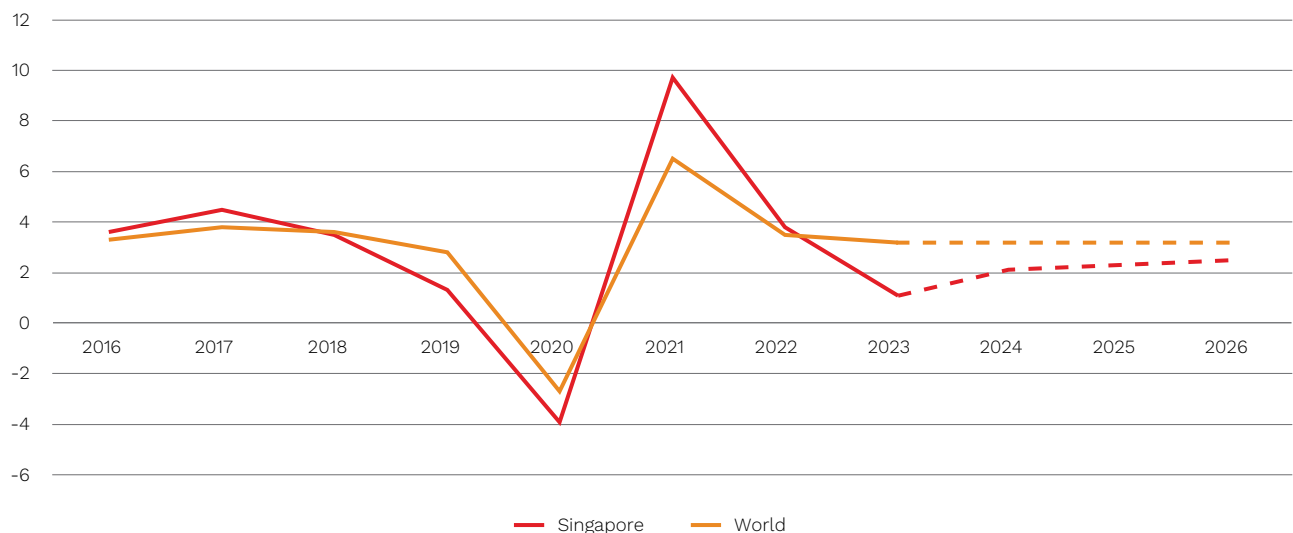


Source: IMF and World Bank

Along with Hong Kong, South Korea and Taiwan, Singapore is among the group of fast-growing Asian economies that implemented policies in the 1960s to expand exports and which have now reached upper income status. Singapore still relies on trade for economic growth, but the nation’s strength in logistics and trade facilitation is more important than manufacturing for export. Services now account for almost 71 per cent of Singapore’s annual GDP, higher than both Taiwan and South Korea.

Singapore’s size, lack of natural resources and reliance on global trade and financial flows make the nation vulnerable to external shocks. During the pandemic, Singapore’s global trade and GDP fell further than the world average, but the upside of its exposure is that it recovered faster (Figure 1). Singapore is forecast to return to a stable trajectory of GDP growth, estimated to be between 2.1 to 2.5 per cent per year between 2024 and 2026.

Figure 1: Real GDP Growth - Singapore and world average (2016-2026f), %



Source: IMF



1.2. Sectoral snapshots

Singapore's strong economic performance, demographic and consumer trends, and decarbonisation efforts offer significant opportunities for Australian trade and investment, particularly in the nation's priority sectors for economic growth. These include infrastructure and logistics, the digital economy, sustainability, and innovation and R&D. This section highlights the key business sectors for Australian companies.



Green economy

As Singapore's green economy develops into a critical industry, new opportunities are emerging for Australian businesses. The Singapore Green Plan 2030 aims to help industries harness sustainability to drive new growth, with Australian businesses eligible for government incentives to develop and scale green technologies. The [Singapore-Australia Green Economy Agreement](#) is helping to grow two-way trade while reducing emissions, facilitating the development of a green shipping corridor, fostering business collaboration and increasing the interoperability of sustainability standards. Singapore has committed to net-zero by 2050 and aims to power 50 per cent of its domestic electricity with hydrogen. Austrade identifies [renewable energy solutions](#) as a key export opportunity for Australian businesses.



Food and agribusiness

Singapore imports over 90 per cent of its food and agricultural products, providing a long-term opportunity for Australian food and agricultural exporters. While the government is strictly committed to food safety, Singapore is also a global leader in non-traditional 'novel foods', which provides opportunities for trade and investment in innovative products and technological solutions. Austrade identifies Singapore as a strategic market that values premium products and supply chain resilience. Key Australian exports include [dairy](#), [horticulture](#), [meat and livestock](#), [packaged foods](#), [seafood](#), and [wine and beverages](#).



Health and medical

In 2023, the Singaporean government launched a national primary care plan and increased investment in training across the medical sector. By 2030, nearly 25 per cent of Singaporeans will be over 65 and national health expenditure is forecast to reach AUD 67 billion, presenting an opportunity for healthcare and health-related service exports. Singapore is committed to providing high-quality and affordable care to its citizens by balancing innovative medical technologies with evidence-based cost considerations. In line with this priority, healthcare facilities, including hospitals, aged care and clinics, are being expanded or redeveloped over the next decade. Singapore is one of Austrade's priority markets for [biotech](#) and [digital health](#) innovations.



Infrastructure, transportation and cities

Singapore is emerging as one of the world's most sophisticated smart cities, presenting infrastructure, transport and urban planning opportunities for Australian businesses. The government's Smart Nation mandate includes plans for remote sensors to improve sustainability and public safety, more efficient public transit and innovative applications for the Internet of Things (IoT). Its Digital Connectivity Blueprint aims to deliver soft and hard data infrastructure to maximise security, sustainability and capacity. Growth in the logistics and trade facilitation sectors are expected to continue as the government works to strengthen Singapore's role in global supply chains. Circular economy, sustainable cities and enabling services are among Austrade's proactive sectors for engagement, in addition to **airport solutions, roads, rail, ports and logistics** and **sustainable building solutions**.



Professional and financial services

Singapore's highly skilled workforce and pro-business environment has cemented its role as a leading global professional and financial services hub. Over the last decade, assets under management in Singapore have grown by 12 per cent annually – a trend forecast to continue. The Monetary Authority of Singapore has identified fintech as a priority area for growth, providing Australian businesses an opportunity to enter the growing market for new financial products and services. The government is also prioritising the development of green financial products and investment funds to speed up the energy transition. While regulatory barriers can make market entry challenging, services sector growth and the energy transition offer opportunities for Australian professional service firms to provide financial, engineering, legal, architectural and consulting services.



Technology

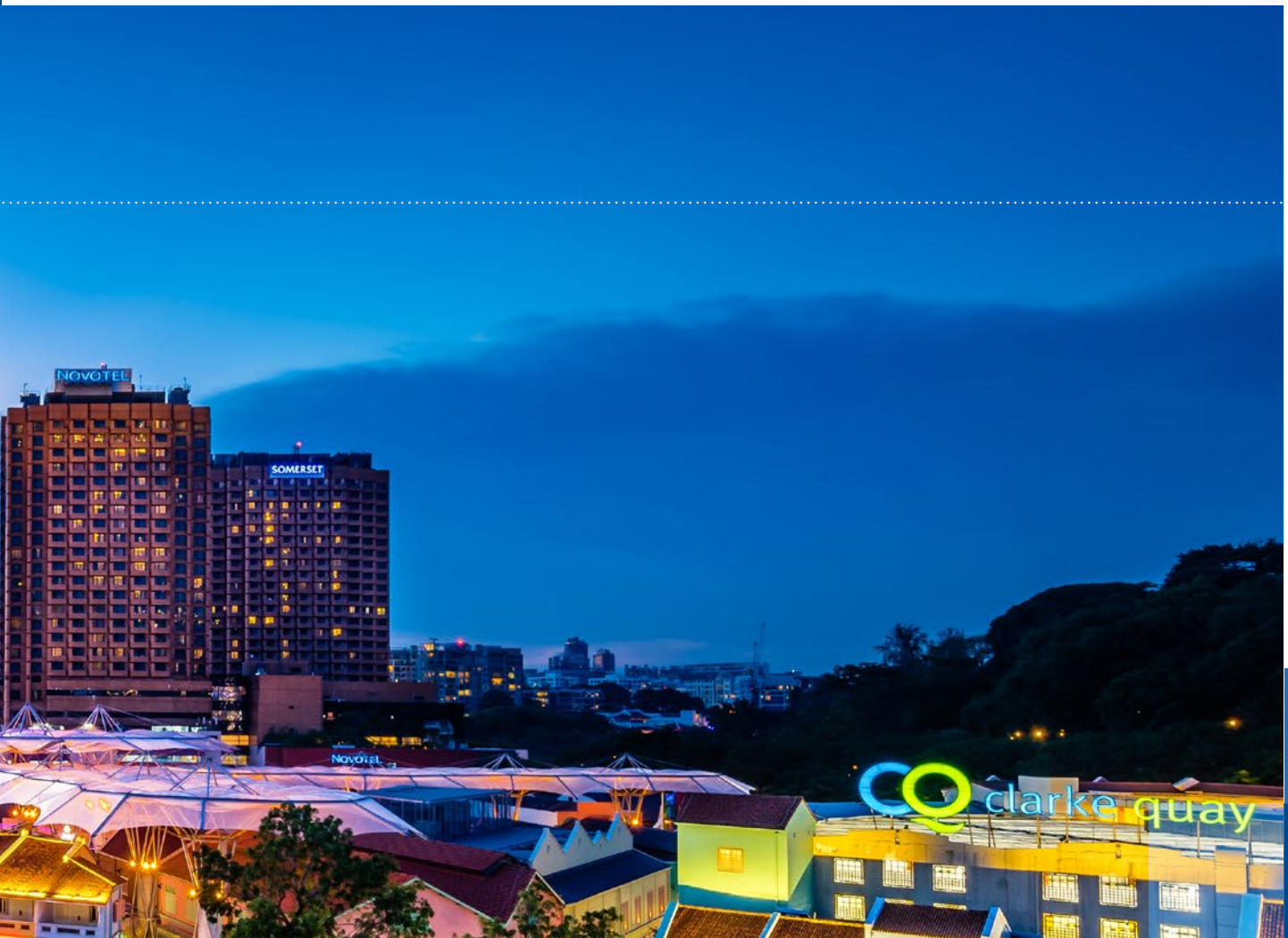
Rapid digitisation and the growth of e-commerce in Singapore present opportunities for Australian businesses across software, digital content, telecommunications and hardware. Consistently ranked among the world's top markets for digital competitiveness, Singapore's focus on attracting and developing talent in technology has transformed it into a global technology hub. The government's Smart Nation mandate defines strategic national priority areas for technological development and provides a number of easy-to-access services for businesses to improve development efficiency. In line with Singapore's commitment to developing its digital economy, Austrade's Landing Pad programme and business matching engagements focus on key **critical and enabling technologies**, including autonomous systems, quantum, cleantech, enterprise and SaaS, artificial intelligence, advanced ICT and fintech.



2. Understanding Singapore



Entering a new market requires knowing what makes that market unique. An understanding of Singapore's business culture and risk profile provides a solid foundation from which to explore opportunities.



2.1. Business culture

Cultural intelligence is key to achieving sustainable business outcomes. Being able to read cultural clues and respond appropriately helps develop relationships, communicate effectively and build trust. While cultural and communication norms are changing as virtual modes of engagement increase, core cultural values remain an important factor in business. Not understanding the particularities of doing business in Singapore can lead to missed opportunities, delays and lost engagements.

Communication

Singapore is a straightforward place to do business - in most cases what would be considered normal etiquette in Australia also applies in Singapore. English is the language of business and administration, and the society is highly multi-cultural, so Singaporeans are used to dealing with people from many different countries and regions.

The Singapore Government applies a non-interventionist approach to doing business, allowing for an environment in which the different business cultures of Singapore's ethnic groups coexist. Large western multinationals will often exhibit western-style business practices, whereas government departments and private companies will usually embrace traditional Asian culture in their work environment. Local firms are often influenced by cultural characteristics including hierarchy, collectivism, risk avoidance and long-term orientation.

Business etiquette can be important in Singapore. While Singaporeans are generally open and tolerant in outlook, being respectful of counterparts is key when conducting business. Respecting the seniority of people within companies is vital and can influence who is involved in direct business discussions.

While Singaporean businesspeople are known to be more direct than regional counterparts, traditional Singaporean stakeholders sometimes avoid confrontation to preserve face, maintain harmony and prioritise relationships. These strong cultural priorities mean that a direct 'no' in early dealings is unlikely – even when something may not be immediately possible. It is important to remain calm, considered and diplomatic in commercial interactions.

Staying connected with Singaporean stakeholders through multiple communication channels is key to building relationships and understanding cultural context. The use of instant messaging apps like WhatsApp, WeChat, Messenger and LinkedIn is widespread in Singapore, but in-person meetings are also welcomed and are important to build trust.

Navigating culture in business – the importance of core cultural values

Core cultural values	Country	
	Australia	Singapore
Direct communication		
Group focus		
Hierarchical approach		
Relationship focus approach		



Relationships

Investing in and building relationships with business associates is crucial to success, be it domestically or overseas - doing business in Singapore is no different. Compared to regional counterparts, Singaporeans tend to commence business discussions and make decisions relatively quickly. Despite this, some small talk before formal proceedings can be expected. During discussions, Singaporeans may ask direct and sometimes personal questions.

Throughout the relationship-building process, communication should be maintained by providing product information and requesting Singapore market updates. Singapore is highly multi-cultural with Chinese, Malay and Indian influences - expressing good wishes during major festivals such as Chinese New Year, Deepavali, Hari Raya and Christmas can be an effective way to develop a business relationship.

Relationships can also be strengthened by keeping a Singapore company informed of any relevant Australian business developments or announcements. With over 37,000 international companies operating in Singapore, it is home to many Australian expatriates - it is possible that any potential business partners may be other Australians. As a top 20 country for international student numbers in Australia over the past two decades, many Singaporeans also have strong connections to Australia.

Hierarchy

Decision-making can be highly centralised in Singapore, both in smaller companies and large corporations. Seniority, whether in age or title, is universally respected and deferring to an older or more senior manager in response to a question is customary.

The importance of partnerships

Successfully navigating the Singaporean business landscape often requires local talent, expertise and partnerships, especially when dealing with local businesses. Local partners can also be vital to establishing a Singaporean office or entity. The food and beverage, ICT, and health and medical sectors can especially benefit from deploying local agents or distributors.

Identifying a potential partnership requires establishing business relationships that can facilitate introductions - a strong network of contacts often provides the basis for productive partnerships. After a potential partner has been identified, due diligence is essential. This includes understanding a company's customers and clients, reach across Singapore and the region, support for product localisation, and in-market reputation.

Singapore is one of the safest places to do business. Legal and regulatory guardrails ensure transparency, partnerships are based on high levels of trust and agreements are supported by careful negotiation and documentation. Nonetheless, it is still essential to undertake reference checks and risk assessments before formalising any local partnerships.

Due to the small size of the Singaporean market, it is advisable to work with one dedicated partner. Before making a final decision, it is important to meet with any potential partner in-market. This will provide an opportunity to assess their knowledge of the market and market presence. A partner's network, contacts and depth of experience in the targeted market sector will be key to helping identify opportunities.

For a more detailed understanding of business culture, business etiquette and building long term and sustainable partnerships to deliver strong business outcomes visit the [Asialink Business Academy](#).



2.2. Managing risks

Singapore offers significant opportunities for informed and well-prepared Australian businesses. While it presents fewer business risks than most other countries in the region, doing business in any new market can involve a range of uncertainties. These should be identified and mitigated as much as practicable – and managed carefully once business operations are established.

Risk factors in Singapore



Economic – including the potential for government default (sovereign risk), fiscal, monetary risk and exchange rate risk.

What this means for your business in Singapore

Singapore’s economic outlook is very stable, with a AAA rating from both Standard & Poor’s and Fitch. This is emblematic of the country’s strong fiscal buffers, high income levels and open business environment. Singapore boasts a high savings rate and consistent trade surpluses.

The Singaporean Dollar (SGD) is stable. It is pegged against an undisclosed basket of currencies and is closely managed by the Monetary Authority of Singapore. The economy is expected to strengthen over the medium-term, with lower-than-expected inflation forecasts and effective monetary policy settings.

While the Singaporean economy is strong and its currency is stable, using foreign currency always carries potential risks. Be aware of your exposure levels and seek advice when considering potential mitigations.



Corruption – including the potential for bribery, embezzlement and conflicts of interest.

What this means for your business in Singapore

Singapore ranks 5th on Transparency International’s 2023 International Corruption Index, with a score of 83 out of 100. Singapore’s government has a rigorous anti-corruption framework, supported by a strong rule of law and high degrees of public accountability.

While corruption levels are low, you should familiarise yourself with Australia’s foreign corruption and bribery legislation and ensure you have a robust anti-corruption strategy before entering any foreign market.



Political – including the potential for political instability and restrictive government policies.

What this means for your business in Singapore

Political risk is low. Singapore is home to a stable government with predictable policies and strong governance structures. Trade, defence and security issues between Australia and Singapore are discussed regularly by the Singapore-Australia Joint Ministerial Committee in an effort to sustain a strong relationship between the two nations.

While the risk of political instability is low, you may consider performing political risk due diligence for any major investments and be mindful of political affiliations of potential partners.



Regulatory – including the potential for regulations that increase the cost of doing business, reduce the attractiveness of an investment or change the competitive landscape.

What this means for your business in Singapore

Heritage Foundation’s 2023 Index of Economic Freedom ranks Singapore 1st out of 184 countries. Strong property rights, competitive tax rates and a highly transparent regulatory system fosters an open and successful business environment.

A trusted local partner can help you understand, navigate and secure complex regulatory processes.



Intellectual property – including the potential for weak or underdeveloped IP protections and enforcement mechanisms.

What this means for your business in Singapore

The 2023 Global Innovation Policy Centre's International IP Index scored Singapore 12th out of 55 countries. Singapore has strong tax incentives to support research and development and intellectual property development, but could improve transparency around customs seizures of IP infringements.

Registration for patents, trademarks and copyrights can help mitigate IP risk. Continual product development and brand updates can deter counterfeiting. Technology solutions such as RFID tags and QR codes may help to authenticate products.



Supply chain – including the quality of infrastructure, levels of corruption, corporate governance, supply chain visibility and timeliness.

What this means for your business in Singapore

Supply chain risk is low in Singapore given the high degree of security and efficiency in the nation's logistics systems. FM Global's 2023 Global Resilience Index ranked Singapore 3rd out of 130 countries for supply chain resilience and 1st in logistics performance.

Advice from a local partner can help to navigate and benefit from Singapore's sophisticated logistics environment.



Geopolitical – including the potential for trade relationships, security partnerships and territorial disputes to impact business activities.

What this means for your business in Singapore

As a small island state, Singapore recognises its exposure to geopolitical risk. Its foreign policy is based on an effort to maintain ties with as many countries as possible. Amidst US-China tensions, Singapore maintains strong trade and bilateral relationships with both nations. Singapore is also working to expand trade relationships with surrounding nations to strengthen its position as a leader in the region.

Boards and leadership teams should familiarise themselves with geopolitical issues that may impact a business and, if relevant, develop plans in response to potential scenarios. Companies may also wish to seek external advice.



Climate – including the potential for extreme weather events and rising sea levels to impact trade routes, supply chains and infrastructure.

What this means for your business in Singapore

The mean sea level around Singapore is increasing, which poses a threat to the low-lying island nation. It is particularly vulnerable to fluctuations in global food supply and prices. However, Singapore's high degree of readiness to combat the adverse effects of climate change make it more resilient than many of its ASEAN neighbours.

Identifying and mitigating climate change risks should be embedded in all elements of your strategy and operating model.

3. How to enter the market



Understanding a foreign business environment is key to a successful market entry. This chapter focuses on important considerations for businesses looking to enter Singapore, including market entry models for exporters and investors, common business structures and adapting your product or service for the local market.



3.1. Exporting to Singapore

Singapore was Australia's fifth largest trading partner in 2023, with total exports reaching AUD 25.3 billion. Precious metals, oil and natural gas dominate Australian exports, but other sectors offer promising opportunities, including food and agribusiness, aviation and aerospace, professional and financial services, technology and logistics.

Market entry models for exporting goods and services

Choosing an appropriate market entry model is essential for businesses looking to export to Singapore. Any choice should be informed by factors such as the overarching business strategy, target sector, and business size and maturity. It is important to note that market entry models frequently evolve over time.

Market entry model

Usually suited for

Market entry model	Usually suited for
A. Direct exporting	Exporting products when more control is desired over distribution, marketing and sales
B. Agents and distributors	Exporting products when less control is desired over brand, marketing and sales
C. Online sales	Selling products via e-commerce

A. Direct exporting

In direct exporting, businesses sell directly to a Singaporean customer from Australia. Exporting directly to Singapore requires a significant level of involvement in the export process, including market research, marketing, distribution, sales, product registration and approval, import-export licensing and receivables.

Direct exporting has some advantages, including:

- Greater control of commercial processes, including sales
- Better margins, as it avoids intermediaries
- More direct customer relationships

While there are benefits, direct exporting can ultimately involve higher establishment costs in Singapore. It may be necessary to employ dedicated in-house staff and other resources to manage the complexities of exporting and sales. Businesses that use this model may need to consider ways to offset these costs, such as employing an agent or distributor to handle local product registrations, while maintaining control over other aspects of the business, including marketing and supply chain management.

A direct export approach should be supported by references, brochures, catalogues and other product and business information. It also requires businesses to engage with customers regularly to build awareness and understanding of the products they are selling on an exporter's behalf. In return, a retailer's understanding of the Singaporean market can help with product development, pricing and marketing. Selling directly to local retailers can generally cut commissions, reduce travel costs and create an effective conduit to market.

B. Agents and distributors

Many Australian firms doing business internationally rely on agents or distributors. The roles of agents and distributors differ, and they can vary across industry. It is therefore critical that roles and responsibilities are clearly defined early in any agreement.

Agents: Agents act as representatives of suppliers and do not take ownership of the products they sell. They are usually paid on a commission basis, which provides an incentive for them to drive sales. Being based in Singapore, agents will often represent several complementary products or services. They can be retained exclusively as the sole agent for a company's goods or services, or as one of several agents for the exporter.

Distributors: Unlike agents, distributors buy goods from exporters and then resell them to local retailers or direct consumers. In some cases, a distributor may sell to other wholesalers who then on-sell to retailers or consumers. Distributors may carry complementary and competing lines and usually offer after-sales service. They earn money by adding margins to product prices. Distributor margins are generally higher than agent fees because distributors have costs associated with carrying inventory, marketing and extending credit for customers.

Choosing an agent or distributor: Whether a business decides to use an agent or distributor, it is essential to build a close working relationship. Due diligence when selecting an agent or distributor is important, and companies should ask for trade references and seek a credit check through a professional agency. It is best to meet any potential agents or distributors in Singapore – this provides them with an opportunity to demonstrate knowledge of the market and build a business relationship.

WHEN CHOOSING AN AGENT OR DISTRIBUTOR, DO THEY...?

- ✓ Demonstrate an understanding of the products and prices of your competitors?
- ✓ Have a depth of experience in your sector and sub-sector?
- ✓ Have a depth of knowledge of the local market and sub-market?
- ✓ Demonstrate an understanding of consumer / customer trends?
- ✓ Have access to sales and / or marketing channels most relevant for your product?

C. Online sales

Singapore's well-developed internet infrastructure and large mobile user base offer opportunities to sell products and services online. The e-commerce market was valued at AUD 12.5 billion in 2022 and is expected to grow to AUD 16.7 billion by 2025.

The Singapore Government is committed to its digital future. Nearly all households (99 per cent) have internet access and 97 per cent of residents own a smartphone. The government has developed strategies to promote domestic and regional e-commerce. The [Retail Transformation Map](#) provides a support platform for start-ups in the sector and the [Networked Trade Platform](#) manages trade documents digitally, under the guidance of the Inland Revenue Authority.

As part of the strategy, Singapore has made progress on challenges to cross-border e-commerce that affect most markets, including payments, logistics, customs and border administration, market access and regulatory issues.

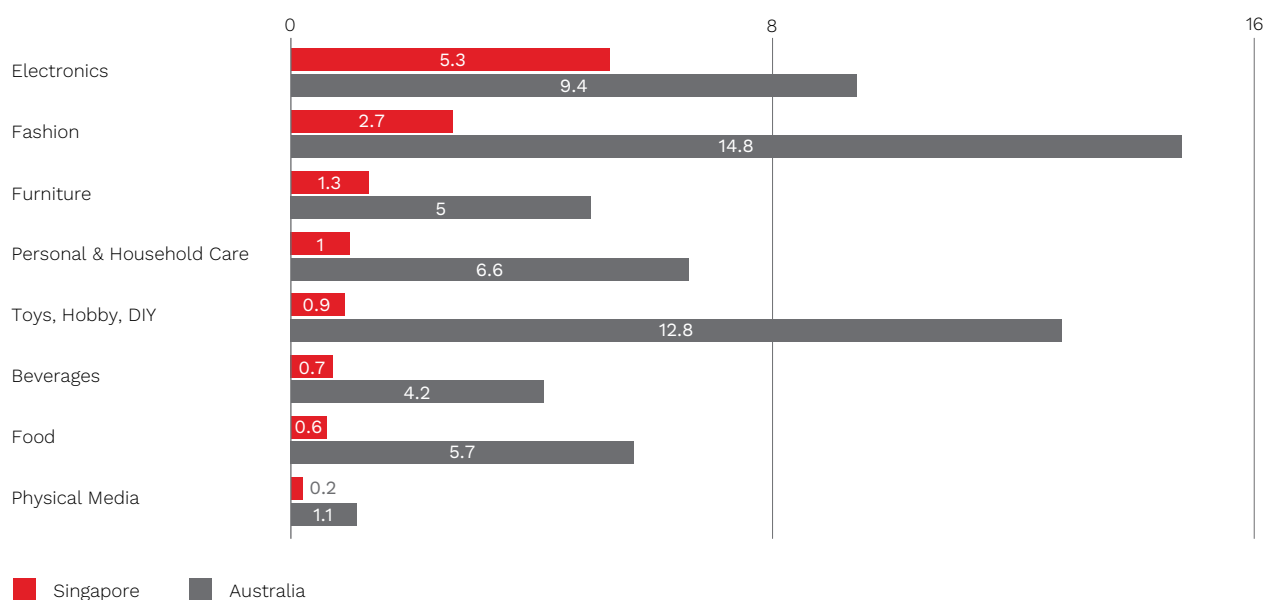
Accessing digital consumers: Singapore has the highest digital penetration rate in Southeast Asia. But although over 60 per cent of Singaporean internet users regularly purchase a product or service online, there is still room for growth in the e-commerce market. Effective marketing is vital when building trust and brand loyalty, particularly among those discovering online retail for the first time.

Top product categories for online sales include fashion, electronics and furniture, as well as personal and household care ([Figure 2](#)). Mobile commerce accounted for 64 per cent of Singapore's consumer goods e-commerce spend in 2022. And with over 5 million social media users in 2023 – around 85 per cent of the population – social commerce is a growing channel, with Facebook and Instagram emerging as important online sales channels.

Search engines: Google is the dominant search engine in Singapore, followed by Bing, Yahoo, and DuckDuckGo. Although nearly one in three Singaporean consumers use search engines for brand discovery, this is lower than regional counterparts like Vietnam (49.7 per cent), Malaysia (37.1 per cent) and Thailand (35.2 per cent).

Search engine	Market share (%)
Google	94.8
Bing	2.9
Yahoo	1.2
Duck Duck Go	0.4

Figure 2: E-commerce spending on consumer goods (2023), AUD billion



Source: We Are Social

Online sellers and marketplaces: While global e-commerce sites such as Amazon and eBay are available in Singapore, local platforms Shopee and Lazada dominate online selling, with Qoo10 being another important player. Businesses should note that online marketplaces often require trademark certification, an exclusive authorisation letter and a Singaporean business registration document before they are able to sell on these platforms.

Social media: There were 5.1 million social media users in Singapore in January 2023. Facebook has a significant presence, with more than 3.3 million users. TikTok had nearly 2.4 million users and Instagram had 2.7 million users. The Singapore Government has carried out several initiatives to develop a robust e-commerce market and is now taking steps to ensure greater security and trust on business-to-consumer platforms.

Platform	Key product range	Market share by site traffic (%)	Address
Shopee	Electronics, fashion, health and beauty, home and living, groceries, mother and baby, automotive, sports, stationery, books	43.6	shopee.sg
Lazada	Higher-value technology products, including household appliances and electronic devices, groceries	20.9	lazada.sg
Amazon	Home and living, health and beauty, fashion, toys and books, electronics, mother and baby, sports, pets and stationery, groceries	14.2	amazon.sg
Qoo10	Fashion, health and beauty, sports, electronics, home and living, groceries, mother and baby	8.4	qoo10.sg



3.2. Investing in Singapore

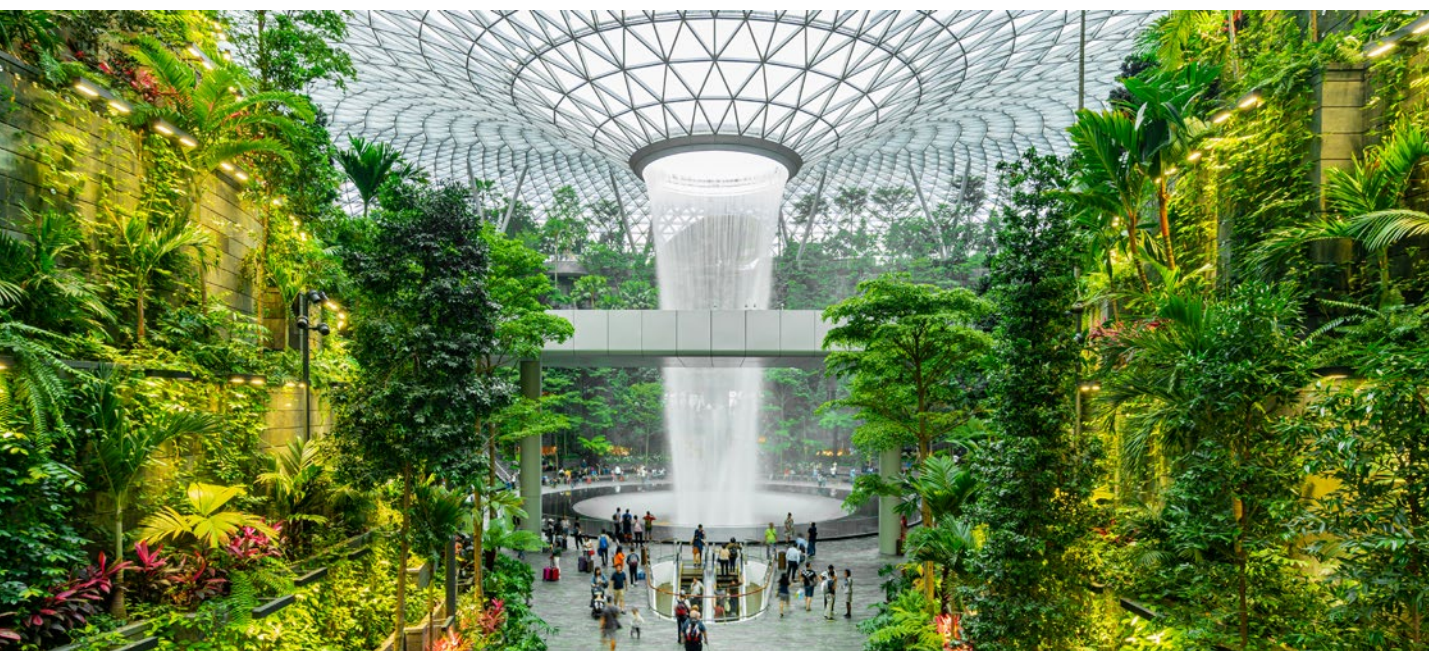
Investment environment

Singapore's stable political and macroeconomic environment make it one of the most attractive destinations for foreign investment in Southeast Asia. Foreign direct investment (FDI) accounts for around 30 per cent of GDP, more than double the closest regional counterpart (Cambodia) and nearly ten times its direct neighbour (Malaysia). Inward FDI flows reached AUD 326 billion in 2023, up 10 per cent year-on-year. Singapore actively encourages foreign investment, and its legal and institutional frameworks are friendly to foreign investors. The [Singapore Economic Development Board](#) is the principal investment promotion agency.

The Singapore Government prioritises investments that support the country's economic development. Investments in certain sectors may be eligible for a wide range of financial and non-financial incentives. The four core pillars that the country is targeting for growth and investment are trade, enterprise, manufacturing and services. Within each of these pillars, key focus areas for investment include sustainability and the transition to green energy, innovation, and labour force upskilling.

The Singapore Government offers a range of business incentives to encourage foreign investment

- **Pioneer Certificate Initiative:** Firms with advanced technology can apply for corporate tax exemptions of up to 15 years and beyond (standard Corporate Income Tax is 17 per cent).
- **Development and Expansion Initiative:** Firms can extend the period of their Pioneer Certificate Initiative, albeit at a CIT no lower than 5 per cent.
- **Global Investor Programme:** Eligible global investors who intend to drive their business and investment growth from Singapore may be eligible for Singapore Permanent Resident status.
- **Grants for Innovation:** The Monetary Authority of Singapore offers fintech innovation grants that provide financial support to companies that establish a centre of excellence in Singapore, as well as for project and experiment funding.
- A host of other grants incentive schemes are available to foreign investors. These include the Finance and Treasury Incentive, schemes that target innovation, research and development, capability development, and resource efficiency grants.
- More information on these can be found on the website of the [Economic Development Board](#) or the [Monetary Authority of Singapore](#).



Investment rules and regulations

Singapore’s legal framework and economic policies are favourable to foreign investors and reflect the country’s open and diversified economy.

There are relatively few FDI controls. However, certain business structures do require a manager to either be a resident of Singapore or hold an EntrePass/ Employment Pass. Industries such as banking, construction and media are also subject to some legislative restrictions. The two main government agencies for attracting investment and promoting foreign trade are **Enterprise Singapore** and the **Singapore Economic Development Board**.

In 2024, Singapore passed the Significant Investment Review Bill that outlines a new screening regime for major investments in companies deemed ‘designated entities’. A designated entity is defined broadly but requires investments into companies deemed critical to Singapore’s security be reviewed by the Ministry of Trade and Industry. The bill applies to both local and foreign investments.

Market entry models for investing

Choosing an appropriate market entry model is essential for businesses looking to invest in Singapore. A business’ size, sector and growth strategy will help determine which market entry model fits best. Investment models frequently evolve over time as businesses enter and expand in a market.

Market entry model	Usually suited for
A. Representative office	Exploring the market and marketing and promotion activities. Cannot conduct business that generates revenue
B. Branch office	Able to conduct commercial activities on behalf of the parent company
C. Franchising	Selling localised products or services
D. Joint Venture	Establishing a specific business project with a Singaporean partner
E. Foreign-owned enterprise	Establishing a local business with full ownership
F. Public-Private Partnership	Establishing a long-term business arrangement with the Singaporean Government



A. Representative office

Opening a representative office (RO) can be a useful and economical first step to explore business opportunities in Singapore. They enable a foreign company to assess the business environment without establishing a permanent establishment. However, ROs cannot conduct commercial activity and are limited to conducting market research and promotional activities.

As an RO is treated as an extension of a foreign company rather than a separate legal entity, it will have the same name and brand as the foreign company. Instructions and guidelines for registration of an RO can be found on the [Enterprise Singapore](#) website.

Establishing a representative office in Singapore

Step	Procedure	Timeframe
1	Submit an application via Go Business Singapore , including supporting documents	14 days

B. Branch office

Establishing a branch office (BO) in Singapore allows a company to engage in the commercial activities that are prohibited for ROs, including to buy and sell products and services and enter contracts. A BO is also able to open bank accounts, raise local financing and hire employees. Unlike an RO, a BO is subject the local corporate tax rate of 17 per cent.

Whereas an RO only needs to register with Enterprise Singapore, the application to establish a BO must be submitted to the Accounting and Corporate Regulatory Agency (ACRA). The approval process usually takes 3 days but can take longer depending on whether other regulatory bodies need to approve the application.

Establishing a branch office in Singapore

Step	Procedure	Timeframe
1	Submit an application via the BizFile+ portal managed by ACRA, including supporting documents	3 days (or between 14 days and 2 months if separate government agency approval is required)



C. Franchising

Franchising allows business owners to retain a measure of control while harnessing the energy of a franchise to drive expansion. Franchises project a company’s reputation and brand, and while it can be expensive, building a network of franchises is often cheaper than owning and operating your own retail or branch offices in foreign markets.

Franchising has been growing in popularity in Singapore thanks to its high per capita income, low barriers to market entry and absence of statutory regulations for franchising. In addition, Singapore is an excellent entry point into other emerging markets across Southeast Asia.

While there are no laws specifically defining ‘franchise’ as a unique form of business, many franchisees belong to the **Franchising and Licensing Association of Singapore** (FLA) which has developed a code of ethics for its members. Franchisees are subject to a minimum withholding tax rate, but this is superseded by Australia and Singapore’s double taxation avoidance agreement.

Like all other business activities, franchises are overseen by ACRA. Registering a franchise in Singapore requires a registration fee of SGD 300 (AUD 336), a name fee of SGD 15 (AUD 17) and annual filing fees of SGD 60 (AUD 67). FLA is a useful resource for gaining knowledge about Singapore’s franchising landscape and connecting with other international businesses.

Establishing a franchise in Singapore

Step	Procedure	Timeframe
1	Register your company with the Accounting and Corporate Regulatory Authority (ACRA)	2-3 months
2	Apply for any industry-specific approvals or licenses required (dependent on the nature of a business)	
3	Open a bank account and comply with local financial regulations such as GST registration, annual tax filings and submitting financial statements to ACRA	

D. Joint venture

A joint venture (JV) is an agreement between two or more parties to work together on a specific project, rather than an ongoing business. JVs can be an effective way to undertake research and development, create a new product or provide a new service. A local Singaporean partner can provide knowledge and contacts, as well as a realistic assessment of risk. They can be established as either a Limited Liability Partnership (LLP) or a joint-stock company.

Each party is responsible for the profits, losses and costs associated with the activity, but a JV is an independent entity, separate from the parties’ other businesses.

A JV is underpinned by a legal agreement between the parties. A typical agreement should include details on the:

- Legal basis for the agreement
- Structure, governance and obligations of the joint venture
- Division of profits and losses
- Ownership of intellectual property
- Disagreement or dispute resolution processes
- Leave or termination conditions



E. Foreign-owned enterprise

A Limited Liability Company (LLC) is the most common form of foreign-owned enterprise in Singapore. Benefits of an LLC include the ease of transferring partial or full ownership and securing funding from local financial institutions. An LLC is taxed as a corporate entity at Singapore's corporate income tax rate of 17 per cent.

This market entry model is suitable for a wide range of sectors, although there are some restrictions for real estate and media investments. Seek professional advice on the best structure for your business.

Establishing a foreign-owned enterprise in Singapore

Step	Procedure	Timeframe
1	<p>Register your business online through ACRA</p> <p>Or</p> <p>Engage the services of a filing agent to register the business on your behalf</p>	14 days - 2 months
2	<p>If you do not hold an EntrePass or Employment Pass, appoint a resident manager</p> <p>Or</p> <p>Seek approval to reside in Singapore through the Ministry of Manpower</p>	
3	Depending on the business activity, complete any industry-specific license applications, open a bank account and comply with local tax and filing regulations	

F. Public-Private Partnership

A Public-Private Partnership (PPPs) is a contractual arrangement between the Singapore Government and the private sector. Under a PPP, the private sector can build, operate and maintain public infrastructure facilities and provide services traditionally delivered by government. Examples of these are roads, airports, bridges, hospitals, schools, prisons, railways, and water and sanitation projects.

Singapore adopted a PPP model in 2004. Since then, nearly 40 PPPs have been completed in Singapore across water and waste treatment, IT infrastructure, transport and education. PPPs are complex to structure and implement, but present opportunities for established businesses to enter the market.

Singapore first published guidance on PPPs as part of their Best Sourcing Framework, a program developed to encourage private sector entities to deliver non-core government services where it is efficient to do so. To engage in PPPs, businesses must register as a **GEBiz Trading Partner** to bid for available opportunities. The length of the bidding process varies depending on the type and size of the contract.

Establishing a PPP in Singapore

Step	Procedure	Timeframe
1	Register as a GEBiz Trading Partner (GTP)	12-15 months
2	Locate an opportunity and submit a bid	
3	<p>Bidding process:</p> <ul style="list-style-type: none"> • Invitations for expressions of interest • Prequalification of bidders • Request for proposal / Invitation to tender • Market feedback period • Issue of final tender • Closing of final tender • Contract award / Financial closing 	

3.3. Go to market strategy

Success in Singapore's sophisticated market requires businesses to tailor their product or service. This should be based on detailed analysis of consumer trends, price consciousness, branding, marketing and advertising, and payment methods.

Consumer profiles and tastes are changing, largely due to demographic and technological shifts. As Singapore's population ages, middle-age Millennials will emerge as the most influential consumer group. As this trend puts pressure on Singapore's social welfare system, spending is projected to rise on essential items like healthcare.

The retail landscape is being disrupted by the rapidly growing e-commerce market. Digital commerce has

become mainstream, with 85 per cent of consumers now using their smartphone to shop online and two-thirds using e-commerce apps for online purchases.

Businesses entering Singapore should adjust their value propositions to cater to emerging consumer trends. Introducing premium product lines, focusing on sustainability and tailoring products and services to increasingly health and wellness-conscious consumers can provide businesses with a competitive edge.

Singaporeans enjoy one of the highest per capita incomes in the world and household disposable income has risen consistently over the past decade (Figure 3). Understanding the characteristics, aspirations and spending habits of this emerging group of consumers is crucial for businesses looking to tap into the segment.

Consumer trends in 2023

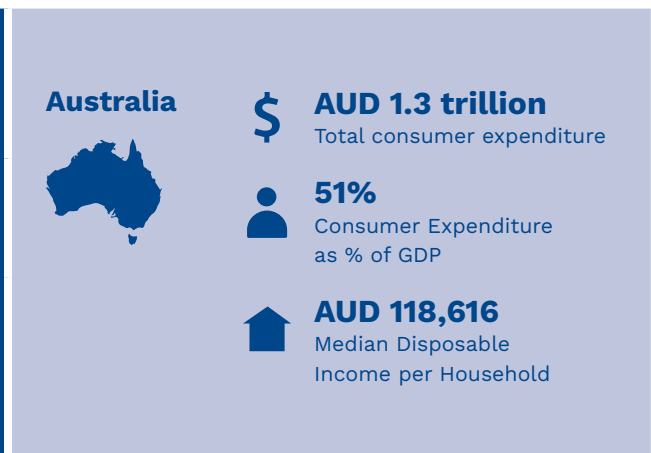
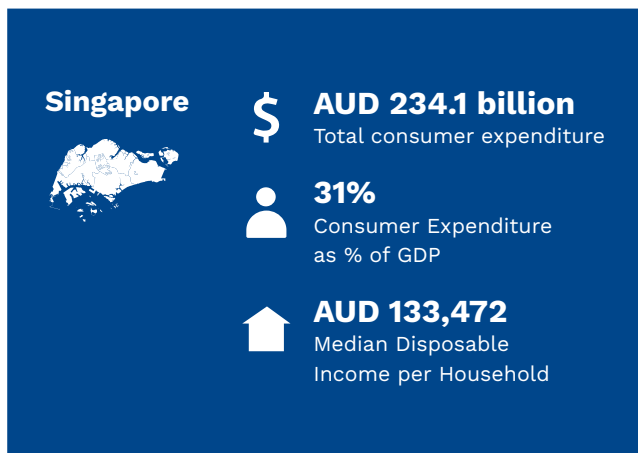
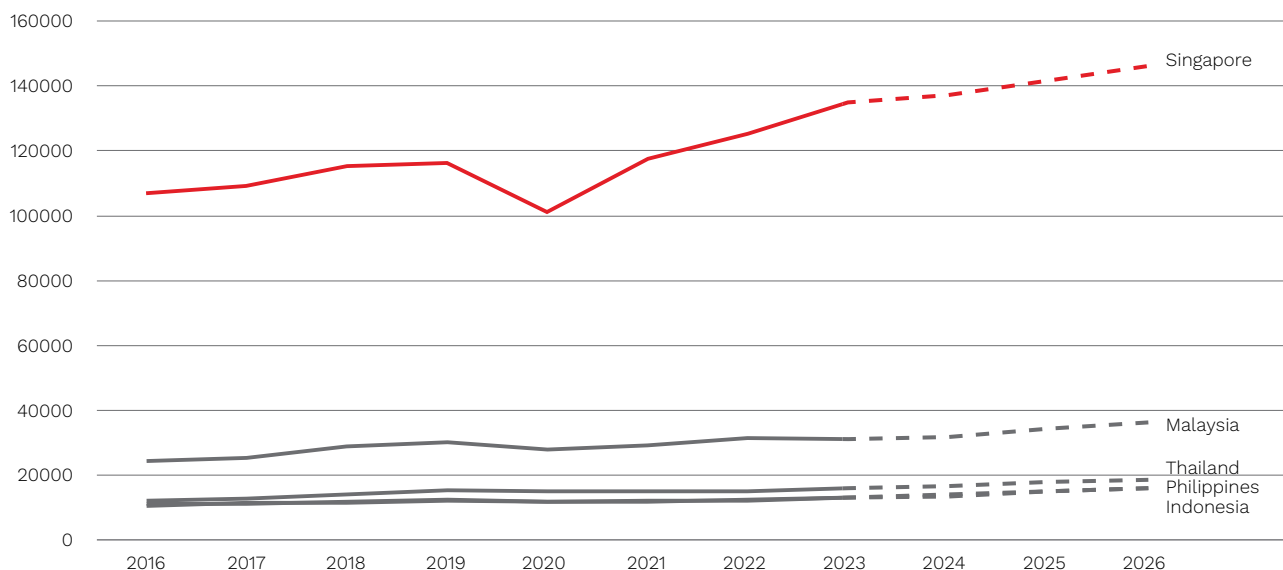


Figure 3: Median disposable income per household (2016–2026f), AUD, current prices



Source: Euromonitor International

Price consciousness

At over AUD 76,000, Singapore's national income per capita is the highest in Southeast Asia. While consumers are becoming increasingly value-conscious, Australian businesses targeting the Singaporean market benefit from a similar consumer environment that requires little adjustment in terms of pricing.

Branding

Branding is as critical in Singapore as in any market, and companies need to research and understand the specific tastes of consumers to achieve success. In Singapore, as in much of Asia, prominent high-quality brands are in demand, though new entrants are becoming increasingly popular. New brands can establish a reputation in the Singaporean market through targeted promotion campaigns.

Australian products have a strong reputation in Singapore. In some sectors Australian businesses enjoy a branding advantage simply by virtue of their products being made in Australia. An emphasis on Australian origin can be a marketing tool for businesses expanding into Singapore, particularly in the food and beverage and agricultural sectors.

Marketing

Trade marketing to distributors and retailers is a popular and effective way for businesses to gain traction in the Singaporean market. A trade show can be a useful starting point. These are effective ways to reach new consumer bases and potential clients, while also offering insights into the operations of competitors and providing a forum for networking and relationship building.

Singapore hosts close to 100 trade shows each year across the food and beverage, fintech, travel and innovation sectors. Due to its strategic position as a trade and business hub, many of these shows have the added benefit of attracting potential customers from across the region.

Sales promotions can also help establish a brand with high-impact campaigns. Providing special discounts and events can be an effective way to build consumer loyalty and product awareness – particularly in sectors that are crowded with incumbents.

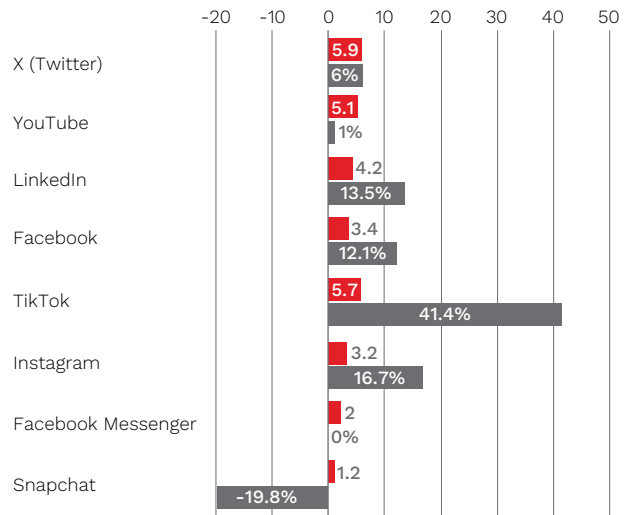
With smartphone penetration at 97 per cent, digital marketing methods are now a mainstay in Singapore. Email, text, search engine optimisation and social media are integral parts of a comprehensive marketing campaign. Marketing and promotional material – at trade shows, sales promotions or anywhere else – can be provided in English.



Advertising and media

With near-total internet and smartphone penetration, digital advertising is essential in Singapore. The largest audience as measured by total potential ad reach is X (previously Twitter), followed by YouTube and LinkedIn (Figure 4). Potential ad reach on TikTok has increased significantly, growing 41 per cent year-on-year in 2023.

Figure 4: Digital advertising audiences in the Singapore (2023)



■ Total potential ad reach (million)
 ■ YoY change in ad reach (%)

Source: We Are Social

As with trade shows and other marketing and promotional efforts, advertising content can be created and shared in English, with no need for translation.

Advertising is lightly regulated in Singapore. The Singapore Code of Advertising Practice (SCAP) is enforced by the Advertising Standards Authority of Singapore (ASAS) and requires that ads be legal, decent, honest and truthful. The ASAS receives complaints and determines if there is a violation of the Code.

Digital payments

Singapore's digital payment infrastructure is advanced and over 90 per cent of consumer payments take place via digital channels. While debit and credit cards are the dominant form of payment, e-wallet use now accounts for nearly one in three B2C e-commerce payments (Figure 5). Sustained growth in digital payments is expected as Singapore's fintech sector matures and banking becomes increasingly digitised.

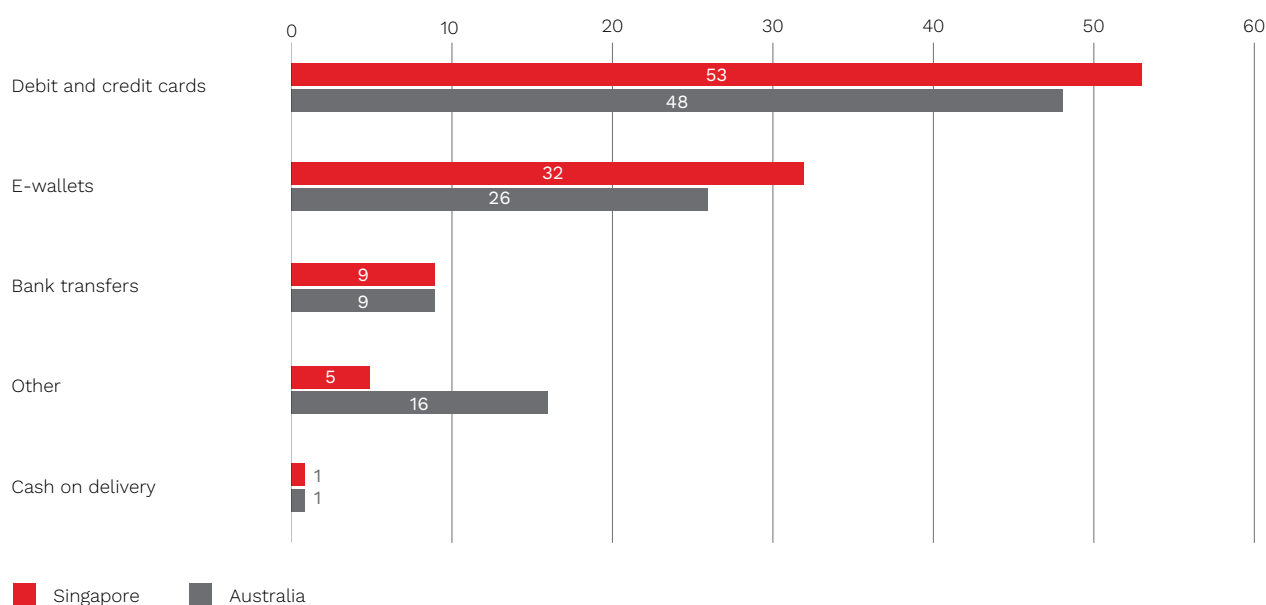
The Monetary Authority of Singapore (MAS), aims to improve the digital payments ecosystem. In 2017, MAS established the Payments Council, a revolving group of twenty executives from the private sector to drive the digitisation process. Initiatives include the development of a single QR code to enhance interoperability between payments systems, the FAST programme to facilitate Singapore Dollar transfers between banks and non-financial institutions, and a Unified Point of Sale

so that consumers can make digital payments using a single interface.

While debit and credit cards remain the most popular payment method in Singapore, the use of e-wallets is increasing. GrabPay is the leading e-wallet (35 per cent market share), followed by FavePay (24 per cent) and DBS PayLah (19 per cent). GrabPay benefits from being integrated with the Grab ride-hailing app, which also offers a range of services, including grocery and meal delivery.

Digital payments can make financial transactions safe, cheaper and more convenient. As digital payment options continue to expand and evolve in the Singapore market, businesses should consider integrating them into their business model.

Figure 5: Payment methods for B2C e-commerce (2023), %



Source: Datareportal

3.4. Developing your market entry strategy

A well-considered market entry strategy should take a systematic approach that supports long-term success. This section summarises the factors businesses should consider when formulating an approach to the Singaporean market into a series of key questions.

Asialink Business provides advisory services and capability training programs to help organisations understand and access opportunities in Asian markets. Should you have questions about any aspect of your Singapore market entry strategy, please [contact us](#). Austrade’s Singapore office also provides services and support to Australian businesses with an interest in Singapore (details can be found in [Section 5.2](#)).

CALIBRATING AMBITION



- What is your company’s aspiration for the market?
- What are the challenges and risks you will need to mitigate?

SALES, BRAND AND MARKETING



- What is your unique value proposition for the market?
- What is the ideal mix of marketing and sales channels to reach your target customers?
- Is your marketing strategy aligned with your identified consumer base and value proposition?

CONSUMERS



- What is the current or potential demand for your product or service in Singapore?
- Who are the primary customers / consumers for your product or service in the market?
- How will you tailor your product or service to local preferences?

MODE OF ENTRY



- What is the right market entry model for your business?
- What are the specific geographies you should target?

DELIVERY PARTNERS




- Does your team have the right mix of skills and expertise to support your market entry?
- What partnerships will contribute to your business’ success in the market?
- What external advice do you need to commission?

COMPETITORS



- Who are your competitors in the market, and what is their offering?
- How does your product or service compare to competitors on price?

OPERATING MODEL



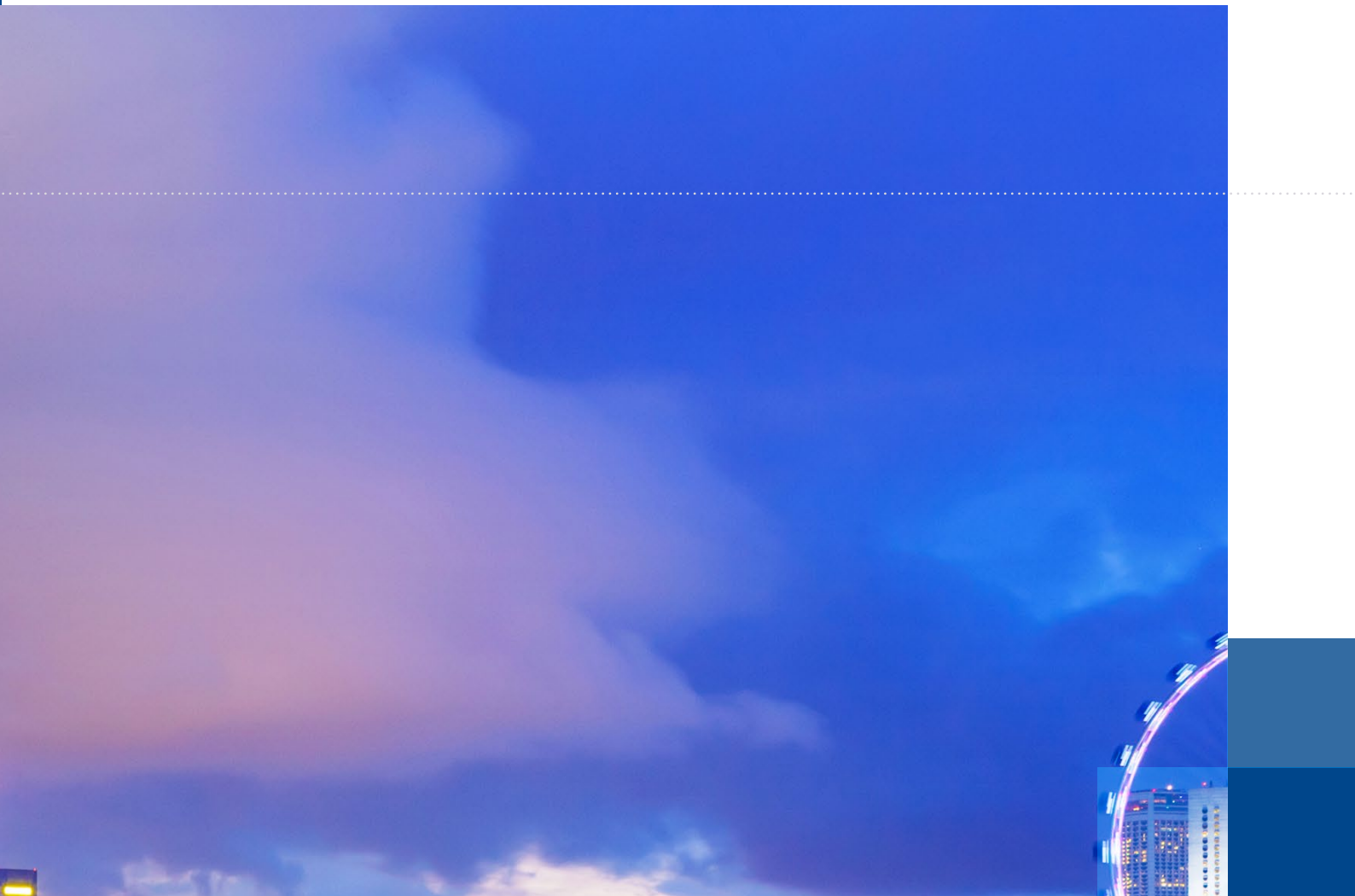
- What changes do you need to make to your business across areas such as operations, HR, finance and IT?



4. Business practicalities



Australian businesses need to be aware of business practicalities when operating in Singapore. The information in this chapter presents an overview of the main areas that need to be considered – including regulations, customs duties, taxation and accounting, employment law and banking.



4.1. Laws and regulations

Land and property rights

Establishing a business in Singapore requires both a business address and a residential address. Office or factory space can be found independently or through a local real estate agent. Under Singapore's property ownership rules, foreigners are permitted to purchase most types of land or property for commercial use without government approval.

Foreigners who wish to buy property or land that is zoned as mixed use for commercial and residential need government approval. Processing time for these applications is around one month from the date of application.

Intellectual property (IP)

Supporting innovation, technology and enterprise through strong IP legislation is a key priority of the Singapore Government. As a member of the World Trade Organisation (WTO), it has committed to common standards for the protection and enforcement of IP. Singapore is a signatory to the Paris Convention, the Berne Convention, the Madrid Protocol, the Budapest Treaty and the Patent Cooperation Treaty.

Singapore has been home to a regional World Intellectual Property Organisation (WIPO) office since 2005 and continues to enhance its national IP infrastructure and accelerated patent filing procedures. The IP framework is coordinated by the Intellectual Property Office of Singapore (IPOS).

There are seven types of intellectual property in Singapore: trademarks, patents, copyright, designs, geographical indications, plant variety rights and trade secrets. The following mechanisms are used for registering IP:

Protection	Detail	Duration
Trademarks	Managed by IPOS, trademarks are used to distinguish business goods and services. These include certification marks, conventional trademarks such as word or picture marks as well as non-conventional trademarks such as packaging, holograms, 3D shapes or colours.	Trademarks last for 10 years and can be renewed indefinitely. Most applications are processed within 4 months.
Patents	Patents are filed through IPOS and can be granted for new products, processes or technical improvements to existing technologies. Foreigners are able to file for patents, but if they reside in Singapore and intend to take the patent overseas, they are required to file a National Security Clearance (NSC) request before doing so.	Patents offer protection for 20 years from the filing date.
Copyright	Copyright material is protected under the Copyright Act (2021). Protection arises automatically when the original work is produced. By default, the creator owns the work even if it was commissioned. IPOS does not have a registration process for copyright filings.	As per the Copyright Act (2021): <ul style="list-style-type: none"> • 70 years after the death of the author for literary works, artistic works and photographs. • 70 years after the making of the work for anonymous and pseudonymous authorial works, films and sound recordings.
Designs	Design registrations protect the appearance of physical and non-physical products. Once registered, designs are a type of property that can be licensed, mortgaged or assigned.	5 years from the initial filing date with the option to renew for protection up to a maximum of 15 years.
Geographical Indications	Geographical indications provide assurance to consumers that a product comes from a specific region.	10 years from the date of registration with the option to renew indefinitely.
Plant Variety Rights	Obtaining a Grant of Protection for new plant varieties protects against unauthorised reproduction, sale for propagation, importing and exporting. Under this protection, the owner may also collect royalties, sell the rights or produce the plant commercially.	25 years from the date of grant, provided it is renewed every year.

Violation of IP and enforcement options:

Despite a strong IP protection framework, violations can occur. Businesses seeking to enforce their IP rights in Singapore have several options depending on the type of dispute:

- Negotiation or mediation
- Expert determination
- Arbitration
- Litigation

Most IP disputes are handled outside litigation. Government authorities can issue warnings, fines and seize counterfeit goods. If court action is required, Singapore positions itself as a regional hub for IP and dispute resolution. International IP disputes can be heard by Singapore International Commercial Court while the Singapore High Court has specialist IP and IT judges to adjudicate IP cases. More information can be found on the [IPOS Dispute Resolution Hub](#). Businesses can also consult [IP Australia](#) for advice.

4.2. Customs duties

Import duties and tariffs

Singapore is a founding member of the WTO and its tariffs are among the lowest in the world. It applies a Most-Favoured Nation (MFN) rate of zero to most goods, except for certain alcoholic beverages.

As the central pillar of the economic relationship, the Singapore-Australia Free Trade Agreement (SAFTA) ensures that most Australian products can enter Singapore tariff free. Market access for Australian services exporters can be conducted on a cross-border basis, which removes administrative barriers.

To find the tariff rate for specific goods from Australia, visit the Department of Foreign Affairs and Trade's FTA Portal at ftaportal.dfat.gov.au.

Calculations and payments

Singapore follows the WTO Valuation Agreement on imported goods. The import duty is calculated by multiplying the imported good's dutiable value by the corresponding import duty rate. The dutiable value of imported goods is typically based on the cost, insurance and freight (CIF) level under the International Commercial Terms (incoterms).

Other taxes and charges

The Goods and Services Tax (GST) was raised to 9 per cent on 1 January 2024. The tax applies to both domestically produced and imported goods. The GST is generally not levied on goods exported from Singapore.

An excise tax is levied on alcoholic beverages, tobacco products, motor vehicles, and petroleum products and biodiesel blends.

Export duties

Singapore does not levy duties on exports, but there are procedures involved in applying to export goods. They can be found on the [Singapore Customs](#) website.

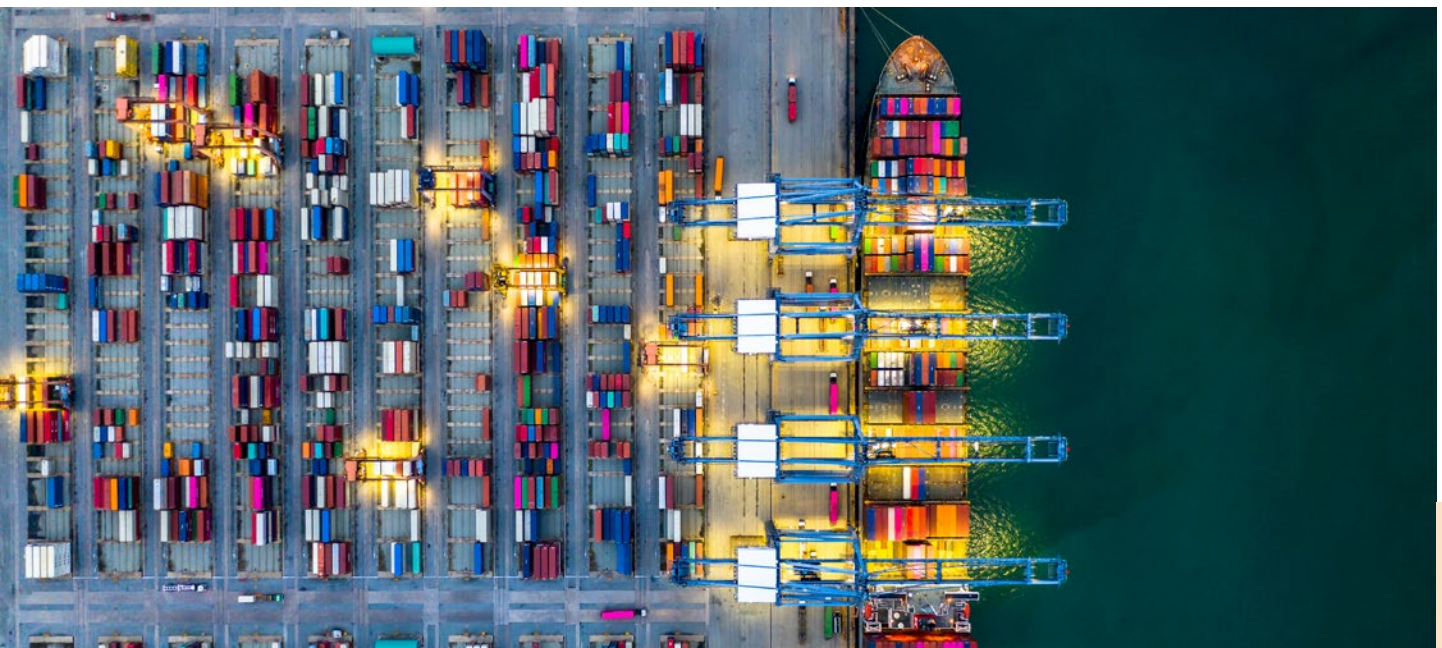
Import and export regulations

Singapore Customs, under the Ministry of Finance (MoF), is responsible for trade facilitation enforcement and revenue collection, while the Ministry of Trade and Industry (MTI) oversees the negotiation of international trade agreements and rules. The Inland Revenue Authority of Singapore (IRAS) is also involved in matters related to the GST.

Certain goods in Singapore are subject to import restrictions for health, safety or security reasons. A list of controlled imports and exports for Singapore is available on the Singapore Customs website.

Singapore has a National Single Window system for trade declaration, called [TradeNet](#). This platform provides a single point of entry for submission of electronic permit applications.

As part of the TradeNet process, traders must register for a Unique Entity Number with the Accounting and Corporate Regulatory Authority (ACRA) and then activate their customs account. Additional steps include applying for an Inter-Bank GIRO that is maintained with Singapore Customs to pay duties, taxes, fees and other charges. All required steps can be found on the Singapore Customs website.



4.3. Taxation

The Inland Revenue Authority of Singapore (IRAS) imposes a wide-ranging tax regime that includes income taxes (corporate and personal), property taxes, goods and services taxes, stamp duties, international taxes and withholding taxes.

This section provides an overview of the taxes Australian businesses can expect to face when operating in Singapore. Not all applicable taxes are covered in this guide and the information provided is of a general nature. Businesses should seek professional tax advice for understanding the taxes specific to their activities.

Table 1: Overview of Singapore’s taxes for businesses

Tax	Tax rate (%)
Corporate income tax	17
Capital gains tax	0
Withholding (for tax residents only)	
Dividends	Exempted
Interest	15
Royalties	10

Corporate Income Tax (CIT)

Businesses are subject to the tax rates imposed under the corporate income tax (CIT) law. The standard CIT rate is 17 per cent. From 2025, the overseas and Singapore profits of all multinational enterprise groups parented in Singapore will be taxed at a minimum effective tax rate of 15 per cent, regardless of where they operate.

A company’s taxable income and effective tax rate depends on residency status. To be considered a tax resident, the management and control of the company must occur from Singapore. This typically means that either the Chair of the Board of a company is based in the country, key employees are in Singapore, strategic decisions are made by local directors or at least half of board members are physically in Singapore for meetings.

If the business is not deemed to be a tax resident, Australian companies benefit from the Australia-Singapore Double Tax Avoidance (DTA) Treaty. Under the DTA, most non-resident Australian companies will be taxed only on certain portions of their income in Singapore and may pay withholding taxes at a reduced rate.

Singapore offers a range of tax benefits for companies, including cash rebates for employing local workers, tax exemptions for new start-up companies and partial exemptions for the first SGD 200,000 (AUD 226,170) of taxable corporate income.



Personal income tax

Individuals who meet one or more of the following criteria are classified as tax residents under Singaporean law:

- A Singapore citizen or permanent resident who normally resides in Singapore
- A foreign resident who has stayed or worked in Singapore for at least 183 days within the past calendar year, OR continuously for three consecutive years OR a continuous period between two calendar years where the total period of stay exceeded 183 days.

For individuals not classified as tax residents, income tax rates are typically governed under the Australia-Singapore DTA. Individuals who qualify as tax residents in Singapore are subject to the following progressive tax rates.

Indirect taxes

Goods & services tax (GST): Apart from exceptions, all goods and services are taxed at a rate of 9 per cent.

Carbon Tax: In line with Singapore's net zero targets, the government implemented a carbon tax in 2019. Emissions are taxed at SGD 25/tCO₂ with plans to increase to SGD 45/tCO₂ by 2027 and SGD 50-80/tCO₂ by 2030. Revenue from this tax is used to ease the transition to a greener economy.

Property taxes: Foreign businesses pay a 10 per cent property tax on the annual value of non-residential properties. Residential property taxes on the purchase of a property, called Additional Buyer's Stamp Duty, range from 0-36 per cent depending on the annual value of the property.

Table 2: Personal income tax rates

Chargeable Income	Income Tax Rate (%)	Gross Tax Payable (SGD)
First SGD 20,000 (AUD 22,614)	0	0
Next SGD 10,000 (AUD 11,307)	2	200 (AUD 226)
First SGD 30,000 (AUD 33,920)	-	200 (AUD 226)
Next SGD 10,000 (AUD 11,307)	3.50	350 (AUD 396)
First SGD 40,000 (AUD 45,228)	-	550 (AUD 622)
Next SGD 40,000 (AUD 45,228)	7	2,800 (AUD 3,166)
First SGD 80,000 (AUD 90,457)	-	3,350 (AUD 3,788)
Next SGD 40,000 (AUD 45,228)	11.5	4,600 (AUD 5,201)
First SGD 120,000 (AUD 135,685)	-	7,950 (AUD 8,989)
Next SGD 40,000 (AUD 45,228)	15	6,000 (AUD 6,784)
First SGD 160,000 (AUD 180,914)	-	13,950 (AUD 15,773)
Next SGD 40,000 (AUD 45,228)	18	7,200 (AUD 8,141)
First SGD 200,000 (AUD 226,142)	-	21,150 (AUD 23,915)
Next SGD 40,000 (AUD 45,228)	19	7,600 (AUD 8,593)
First SGD 240,000 (AUD 271,370)	-	28,750 (AUD 32,508)
Next SGD 40,000 (AUD 45,228)	19.5	7,800 (AUD 8,820)
First SGD 280,000 (AUD 316,599)	-	36,550 (AUD 41,327)
Next SGD 40,000 (AUD 45,228)	20	8,000 (AUD 9,046)
First SGD 320,000 (AUD 361,827)	-	44,550 (AUD 50,373)
Next SGD 180,000 (AUD 203,528)	22	39,600 (AUD 44,776)
First SGD 500,000 (AUD 565,355)	-	84,150 (AUD 95,149)
Next SGD 500,000 (AUD 565,355)	23	115,000 (AUD 130,032)
First SGD 1 million (AUD 1.13 million)	-	199,150 (AUD 225,181)
More than SGD 1 million (AUD 1.13 million)	24	

4.4. Audit and accountancy

Auditing and accountancy play a vital role in enhancing transparency and accountability in a business, especially one engaged in a foreign market. It increases business performance by identifying risks and highlighting areas for improvement.

Accounting standards

Local and foreign businesses are required to comply with the Singapore Financial Reporting Standards (SFRS), which are based on the International Financial Reporting Standards (IFRS), when recording financial transactions.

Although the Australian Accounting Standards (AAS) are also based on IFRS, Australian businesses with Singaporean operations should review the differences between jurisdictions to ensure their records are compliant with both countries' accounting authorities.

Accounting standards in Singapore are managed by ACRA.

Statutory audits

All companies are required to be audited at least once per year by a public accountant and in accordance with the Singapore Standards on Auditing (SSA). The SSA are generally aligned with International Auditing and Assurance Standards Board (IAASB) rules. Small companies may be exempt from auditing requirements if they have:

- Annual revenue less than SGD 10 million
- Total assets that do not exceed SGD 10 million at financial year end (FYE)
- No more than 50 employees at FYE

Books and records

Generally, books and records should be kept in Singapore Dollars. However, in some cases businesses can choose a different functional currency to prepare financial statements. If the business' functional currency is deemed not to be Singapore Dollars, they must inform IRAS prior to filing. Regardless of the functional currency chosen, all amounts declared in the CIT return must be in Singapore Dollars.

Businesses can determine their own financial year, defined as an accounting period of 12 months or over 52 weeks. The date chosen for FYE will determine when corporate filings and taxes are due each year.

Annual General Meetings (AGMs)

All companies in Singapore are required to hold an AGM within six months of their FYE. Private companies may be exempt from this rule if they send their financial statements to members within five months of their FYE.

Quality control

Audits are overseen by ACRA. ACRA offers guidelines and frameworks to aid businesses in selecting an auditor. Auditors follow the standards written in the SSA.

ACRA is responsible for monitoring programs for improving audit quality. They provide industry-specific targets against which companies can compare their audit performance. ACRA is a member of the International Forum of Independent Audit Regulators.



4.5. Employing workers

Doing business in Singapore will often require employing local and foreign workers. Understanding Singapore's labour market regulations and recruitment methods is crucial to building and supporting an effective team.

Labour market

Skill level: Educational attainment is high in Singapore. Nearly two in three Singaporean employees possess a degree, diploma or professional qualification. Compared to other OECD countries, Singapore ranked 4th in overall employment rates for residents aged 15 and above.

Employment contracts: Local and foreign workers can be hired under full-time, part-time, temporary and special work contracts. The employer is required to issue Key Employment Terms within 14 days of the start of employment. These terms include details of employment, hours and days required, rest days, salary, holiday leave and medical benefits and probation/notice periods.

Contract type	Type of work	Contract period
Full-time employment	More than 35 hours per week	Open-ended, with a notice period, is the most common
Part-time employment	Less than 35 hours per week	Open-ended, with a notice period, is the most common
Temporary or contract employment	Work that lasts for a specified period of time or on a project basis	A set period of time or until the task is complete

Minimum wage: For local Singaporeans, there is no minimum wage for most sectors. Employees are paid based on individual merit, skills and experience, considering market demand and labour supply. For foreign employees, their respective employment pass will include minimum wage requirements.

Human resources and employment law:

The Employment Act is the main labour law in Singapore. The Act regulates employment terms and conditions for all employees under a work contract with an employer.

Working hours: For employees working five days a week or fewer, contractual working hours are up to nine hours per day or 44 hours per week. Employees working more than five days a week are required to work no more than eight hours per day or 44 hours per week. However, Singapore's strong work ethic means work hours often extend into nights and weekends.

Holidays: Workers employed for at least three months are entitled to annual leave. Entitlement depends on years of service which starts at the commencement of employment.

Years of service	Days of leave
1	7
2	8
3	9
4	10
5	11
6	12
7	13
8 or more	14

Overtime: If an employee is required to work more than 12 hours per day, the employer must apply for an overtime exemption, up to a maximum of 14 hours per day. An employee can work up to 72 overtime hours in a month.

Overtime rates

The overtime rate for non-manual labour employees is capped at a salary level of SGD 2,600, or an hourly rate of SGD 13.60. The hourly basic rate of pay depends on the pay-classification of the employee and is calculated using the following formula.

Category of employee	Hourly basic rate of pay
Monthly-rated employee	$(12 \times \text{Monthly basic rate of pay}) / (52 \times 44)$
Daily-rated employee	Daily pay at the basic rate / Working hours per day
Piece-rated employee	Total weekly pay at the basic rate of pay / Total number of hours worked in the week

Sick leave: Employees are entitled to sick leave and paid hospital care after three months of employment. Employees must be covered by the Employment Act and must inform, or try to inform, their managers within 48 hours of absence.

Social, health and unemployment insurance contributions: For Singapore permanent residents and citizens, employers must enrol them into the national pension fund (Central Provident Fund or CPF). The CPF contribution rates are as follows.

Employee's age (years)	Contribution rates for monthly wages over SGD 750 (AUD 850)		
	By employer (% of wage)	By employer (% of wage)	By employer (% of wage)
55 and below	17	20	37
Above 55 to 60	15	16	31
Above 60 to 65	11.5	10.5	22
Above 65 to 70	9	7.5	16.5
Above 70	7.5	5	12.5

A company is not required to pay into a pension or superannuation fund for foreign employees who are not permanent residents.

Medisave is health insurance for Singapore permanent residents and citizens. Non-mandatory citizens and foreign employees can seek private healthcare. Some employees may provide financial assistance.

Ending employment: Employers and employees can unilaterally terminate an employment contract with mandatory written notice. Notice can be waived by mutual consent between employer and employee.

If there is no notice period in the contract, then the notice period is dependent on the length of service, as follows:

Length of service	Notice period
Less than 26 weeks	1 day
26 weeks to less than 2 years	1 week
2 years to less than 5 years	2 weeks
5 years or more	4 weeks

Severance pay: Workers who have been with a company for at least two years are eligible for severance pay, whereas those with fewer than two years may receive a goodwill payment at the employer's discretion. Severance pay is generally between two weeks and one month salary, per year of service, depending on the company's standing and sector.



Recruiting staff

Online advertising: Online job advertisements are an effective way to access talent in Singapore and many companies recruit online to increase the likelihood of getting skilled workers. There are several useful websites in Singapore for online advertising.

- **Jobstreet** is a popular broad platform that covers Singapore and other Southeast Asian countries
- **JobsDB** is a leading online employment website that partners with Jobstreet and has job postings for Singapore, Hong Kong, Indonesia and Thailand
- **Workable** is an aggregate resource which condenses all Singapore hiring platforms
- **Indeed** is an online platform that enables potential candidates to search for jobs and post a resume
- **LinkedIn** provides valuable intelligence when searching for employees in a particular sector or field. Many recruitment consultants will use LinkedIn as a platform for advertising or communicating with a potential candidate

Executive search and recruitment: Executive search firms can provide tailored searches for more senior roles and expatriates. As a large, regional hub with a strong financial sector, most international firms such as Ranstad, Michael Page, Ethos Beath Chapman, Stanton Chase and Morgan McKinley all have offices in Singapore.

Work permits: Foreign workers can be recruited into positions in Singapore where local hires are not able to meet the requirements. However, all foreigners must have a valid pass or work visa.

Pass type	Who is it for?
Employment Pass	For foreign professionals, managers and executives. Candidates need to earn at least SGD 5,000 (AUD 5,654) per month and pass the Complementarity Assessment Framework (COMPASS). From 2025, the salary threshold will rise to SGD 5,600 (AUD 6,332) for most businesses, and to SGD 6,200 (AUD 7,010) for financial services firms.
EntrePass	For foreign entrepreneurs who plan to start and operate a business in Singapore that is venture-backed or possesses innovative technologies.
Personalised Employment Pass (PEP)	For high-earning existing Employment Pass holders or overseas foreign professionals. The PEP offers greater flexibility than an Employment Pass.
Overseas Networks & Expertise Pass	For top talent in business, arts and culture, sports, and academia and research.



4.6. Banking

Foreign companies establishing a commercial presence in Singapore will need a local bank account to conduct business. Foreign companies may open accounts denominated in Singapore Dollars, US Dollars and other foreign currencies.

In Singapore, financial institutions may be classed as full banks, qualifying full banks, wholesale banks, merchant banks or finance companies. While all types of institutions are permitted to take deposits, the extent of other services offered may vary.

Table 3: Financial institutions in Singapore

Institution	Details
Full banks	Permitted to engage in all financial service activities regulated by the Monetary Authority of Singapore (MAS) but are prohibited from engaging in any non-financial services.
Qualifying full banks	Permitted to operate a maximum of 25 branches in Singapore, partner with local banks to offer cash and cash advances and engage in certain types of investment and retirement savings programs.
Wholesale banks	Generally covered under the same regulations as full banks, but do not engage in Singapore Dollar retail banking activities and are generally only permitted one main branch.
Merchant banks	Generally allowed to engage in the same types of regulated financial activities as other banks. However, they do not typically accept deposits from individuals and in most cases are not permitted to accept deposits in Singapore Dollars.
Finance companies	Permitted to engage in personal and commercial lending. While they do not offer a full range of banking services, finance companies can be an alternative lender for business activities.

Many banks allow foreigners to open an account online. They usually require a passport and proof of address in Singapore.

When choosing a bank account in Singapore, businesses should consider which options best meets their needs. Current/transactional accounts offer ease of use but are generally not interest-bearing, whereas savings and fixed deposit accounts usually provide returns on your deposits. Foreigners may also want to consider the benefits of selecting a multi-currency account which enables individuals and businesses to hold and spend multiple currencies without exchange.

Australian banks in Singapore

Five major Australian banks have licenses to provide wholesale banking services in Singapore: ANZ, CBA, NAB, Westpac and Macquarie. They offer a range of products and services for corporate clients, including corporate and commercial banking, trade finance and cash management.

Foreign exchange controls

The Singapore Dollar is freely convertible into domestic and offshore accounts and currencies. There are no significant restrictions on transactions, including remittances, repatriation of profits or capital flows.



5. Appendices



Understanding the relationship between economics, politics and government can give businesses an edge when entering Singapore. This chapter provides general information on political and legal structures, relevant government agencies, key economic zones and the bilateral relationship with Australia.



5.1. Singapore country information

Politics and government

The Singapore government is modelled on the three branches of the Westminster system: the legislative, executive and judiciary. The President is the head of state, while the Prime Minister is the head of the government. The legislature makes laws, the executive administers the law, and the judiciary interprets the law.

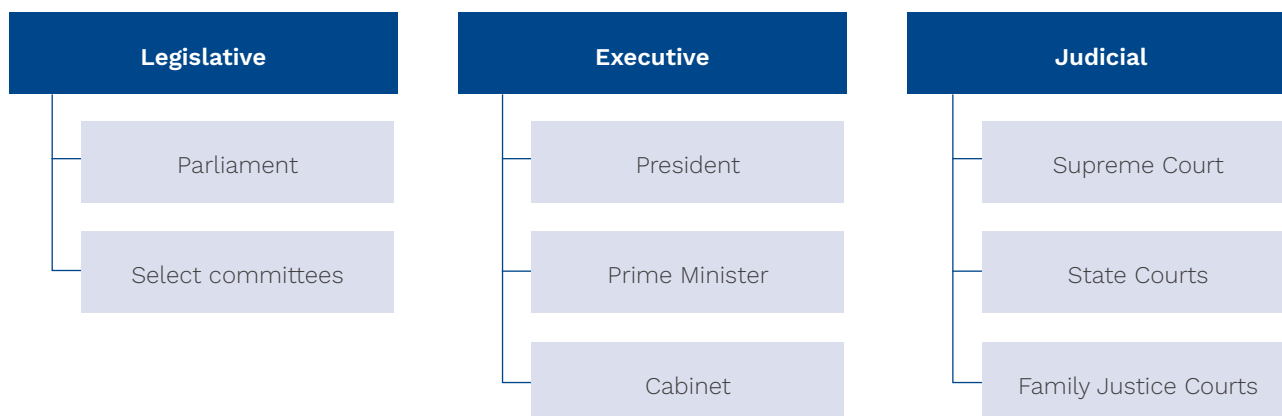
The legislative branch is unicameral. Members of parliament (MP) are elected at general elections every five years. The leader of the political party that secures most seats in Parliament is asked by the President to become the Prime Minister (PM). The PM then selects Ministers from elected MPs to form the Cabinet.

Singapore is a democracy, but the electoral process has historically favoured the long-ruling People's Action Party (PAP). The barriers to a stronger opposition include high financial requirements for candidates and legal restrictions on free speech.

Legal system

Singapore's judicial system was originally based on the English system. While it retains many characteristics of English law, it has evolved with some unique characteristics. The Supreme Court and the State Courts are the two main judicial bodies. The Supreme Court is led by the Chief Justice and has 34 judges, including 20 international judges. There are six types of State Courts in Singapore, including District Courts, Small Claims Tribunals and Employment Claims Tribunals.

Singapore's government and judicial structure



Key government agencies

Key government agencies and industry associations will need to be consulted throughout the process of setting up a business in Singapore. Some of these agencies can also be useful for providing advice and initiating contacts.

The main agencies and their areas of authority relating to foreign businesses are:

Government agency	Responsibilities	Website
Ministry of Trade and Industry (MTI)	MTI controls nine statutory boards and one government department to formulate and implement business, industry, and trade-related policies.	mti.gov.sg
Economic Development Board (EDB)	EDB is an MTI-controlled board responsible for overseeing industrial and economic strategy and foreign investment. EDB can provide foreign businesses with investment facilitation, industry-specific support, access to talent, and assistance in setting up operations in Singapore.	edb.gov.sg
Monetary Authority of Singapore (MAS)	MAS is Singapore's central bank and financial regulator. They promote economic growth through monetary policy and economic analysis in addition to managing Singapore's exchange rate, foreign reserves and liquidity in the banking sector.	mas.gov.sg
Accounting and Corporate Regulatory Authority (ACRA)	ACRA is Singapore's regulator for business registration, financial reporting, public accountants and corporate service providers. ACRA oversees company registrations, regulatory compliance and corporate governance proceedings.	acra.gov.sg
Enterprise Singapore (ESG)	ESG is the government agency championing enterprise development. They work with businesses to develop capabilities, innovate and internationalise. Foreign businesses can engage with ESG for market insights, business advisory services, access to funding and grants, and networking opportunities.	esg.gov.sg
Intellectual Property Office of Singapore (IPOS)	IPOS is Singapore's national intellectual property (IP) agency responsible for the registration and protection of intellectual property rights, including patents, trademarks, copyrights, and designs. IPOS oversees IP registration and protection and assists in IP rules enforcement.	ipos.gov.sg
Singapore Customs	Singapore Customs is the agency responsible for facilitating legitimate trade and ensuring compliance with customs and trade regulations. They administer customs procedures, tariffs, and trade documentation requirements.	customs.gov.sg

Government agency	Responsibilities	Website
Inland Revenue Authority of Singapore (IRAS)	IRAS is Singapore’s taxation authority. They oversee the tax systems, review personal and corporate filings and develop tax incentives to encourage investment and innovation. Businesses will engage with IRAS when submitting their annual filings.	iras.gov.sg
Singapore Land Authority (SLA)	SLA is the national land agency responsible for managing Singapore’s land resources and land-related information. They oversee land administration, land sales and leases, and property ownership. They can assist foreign businesses with land-related transactions, property information, land use planning, and land lease renewals.	sla.gov.sg
Ministry of Manpower (MOM)	MOM is responsible for formulating and implementing labour policies in Singapore. They regulate the employment of foreign workers, ensure workplace safety and health, and promote fair employment practices. MOM processes work pass applications, provides labour market information, ensures compliance with employment regulations, and administers training programs for employees.	mom.gov.sg
Competition and Consumer Commission of Singapore (CCCS)	CCCS is the competition watchdog in Singapore responsible for enforcing competition and consumer protection laws. They investigate anti-competitive practices, mergers and acquisitions, and unfair trade practices. Foreign businesses should be aware of competition law and compliance requirements. CCCS also oversees merger notifications, complaints about anti-competitive behaviour and consumer protection issues.	cccs.gov.sg





Free trade and special economic zones

Singapore has nine Free Trade Zones (FTZ) to facilitate transshipment activities. These are designated areas where products can be produced, imported, stored and re-exported with minimal interference from Singapore Customs.

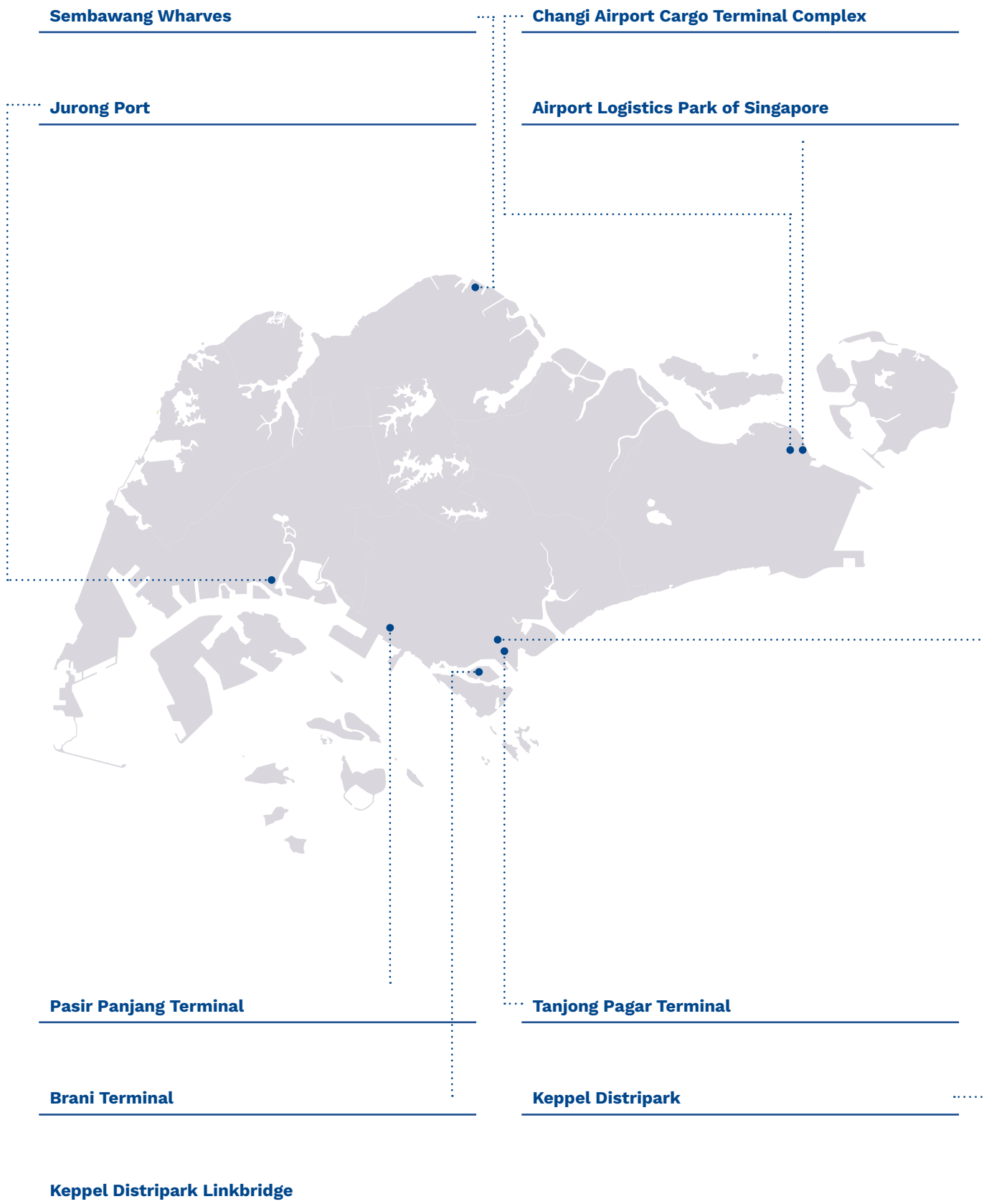
Taxes are not levied on products transported into or moved between Singapore's FTZs. Duty and GST are only payable when goods are consumed within the FTZ, or when goods leave the FTZ and enter customs territory for sale or consumption. The full range of FTZ regulations and notifications can be found on the Singapore Customs website.

Singapore-Australia bilateral relationship

As one of the first countries to recognise an independent Singapore in 1965, the bilateral relationship between Australia and Singapore is based on strong foundation of diplomatic and economic ties. Singapore is Australia's largest trade and investment partner in Southeast Asia and was its fifth largest trading partner overall in 2023. Since completing the Singapore-Australia Free Trade Agreement (SAFTA) in 2003, the two countries have signed supporting agreements on the digital and green economies.

Both Australia and Singapore are active members of the Asia-Pacific Economic Cooperation (APEC), the Regional Comprehensive Economic Partnership (RCEP), the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) and the Comprehensive and Progressive Agreement on the Trans-Pacific Partnership (CPTPP). The relationship was elevated to a Comprehensive Strategic Partnership (CSP) in 2015.

The Australian and Singaporean prime ministers have met annually since 2016. There are regular ministerial-level meetings on trade, defence and foreign affairs. Further information on the bilateral relationship is available from [DFAT](#).



Source: Singapore Customs

5.2. Useful contacts and support resources

Government organisations

Australian Department of Foreign Affairs and Trade (DFAT)

dfat.gov.au/geo/singapore

DFAT manages Australia's international network, including in Singapore. Australia has an Embassy in Singapore.

Austrade

austrade.gov.au

Austrade is the Australian Government agency responsible for facilitating international trade and investment. Austrade can provide advice on the market, potential in-market partners and export marketing services. Austrade has offices in Singapore.

Export Finance Australia

exportfinance.gov.au

EFA provides information, support and export finance solutions to Australian businesses looking to expand overseas.

State government agencies

Many state government agencies have representatives or offices in Singapore, including [New South Wales](#), [South Australia](#), [Victoria](#) and [Western Australia](#).

Business and industry associations

AustCham Singapore

austcham.org.sg

The Australian Chamber of Commerce in Singapore represents and promotes Australian businesses operating in Singapore. AustCham coordinates a regular program of business seminars, networking and social functions for the business community in Singapore.

Export Council of Australia

export.org.au

The Export Council of Australia is the peak industry body for the Australian export community.

Programs and support

Go Global Toolkit

export.business.gov.au

Information, tools and support to grow your business globally through a range of digital for every stage of the export journey.

Export Market Development Grants (EMDG)

austrade.gov.au

Austrade seeks to help small to medium Australian enterprises grow their exports in international markets through their EMDG grant program.

Industry Growth Program

industry.gov.au

The Industry Growth Program supports innovative SMEs undertaking commercialisation or growth projects in the National Reconstruction Fund priority areas.

State or territory government trade and investment agencies may also run programs and provide support to businesses looking to expand into international markets. Please consult your relevant state or territory agency for more information.

5.3. References

A select list of sources used in the development of this publication are included below.

Asia Law Network
 Association of Banks in Singapore
 Australian Department of Foreign Affairs and Trade
 Australian Trade and Investment Commission (Austrade)
 Dezan Shira and Associates
 DBS
 Economist Intelligence Unit
 Euromonitor
 EY
 Freedom House
 FitchRatings
 Google
 Heritage Foundation
 HSBC
 IMF
 International Comparative Legal Guide
 International Federation of Accountants
 International Forum of Independent Audit Regulators
 McKinsey & Company
 PWC
 Tech in Asia
 The Heritage Foundation
 Transparency International
 S&P Global
 United Nations Council of Trade and Development
 US Chamber of Commerce
 US Department of State
 US International Trade Administration
 Singapore Government (various sources)
 Transparency International
 We Are Social
 World Bank

5.4. A note on currency

All money amounts are in Australian dollars unless otherwise indicated.

Exchange rate used is the historical rate for the previous twelve months.

AUD 1 = USD 0.6560

AUD 1 = SGD 0.8843

5.5. Acknowledgements

Asialink Business gratefully acknowledges the assistance and information from the following organisations in the production of this Doing Business Guide:

Austrade
 Department of Foreign Affairs and Trade
 AustCham Singapore
 Sleek

Several businesspeople provided anonymous review. We extend to them our sincere appreciation.

Asialink Business is supported by the Australian Government's Department of Industry, Science and Resources and the University of Melbourne.

5.6. Disclaimer

This publication contains country and industry general information and does not address the circumstances of any particular individual or entity. While all efforts have been made by Asialink Business to ensure that the data and information provided herein are accurate, the accuracy of the information in the future cannot be guaranteed.

Users of this document should undertake their own independent analysis and obtain appropriate professional advice, if required, before acting upon such information in any given situation. Asialink Business accepts no liability for any loss which may arise from the use of the information contained in this publication.

Reproduction of any part of this publication without prior written approval of Asialink Business is strictly prohibited. The information in this document is accurate as of May 2024.

© May 2024, Asialink Business. All rights reserved. Printed in Australia.

Engage with us

Since 2013, Asialink Business has helped thousands of Australian organisations and professionals seize opportunities in Asia. As Australia's National Centre for Asia Capability, we equip businesses with the insights, capabilities and connections to succeed across Asia.

Asialink Business offers commercially focussed solutions including customised country, market and industry specific support.

To start a conversation about how we can assist your Asia growth strategy, please get in touch.

Contact

-  contact@asialinkbusiness.com.au
-  asialinkbusiness.com.au
-  [linkedin.com/company/asialink-business](https://www.linkedin.com/company/asialink-business)



Asialink Business is supported by the Department of Industry, Science and Resources and the University of Melbourne





