

ANNEX 3 – 1
NON-CONFORMING MEASURES
SCHEDULE OF SINGAPORE

Explanatory Note

1. The Schedule of Singapore to this Annex sets out, pursuant to Article 3.9 (Non-Conforming Measures) of Chapter 3 (Investment), Singapore's existing measures that are not subject to some or all of the obligations imposed by:
 - (a) Article 3.5 (National Treatment);
 - (b) Article 3.6 (Most-Favoured-Nation Treatment); or
 - (c) Article 3.8 (Performance Requirements).

2. Each Schedule entry sets out the following elements:
 - (a) **Sector** refers to the general sector for which the entry is made;
 - (b) **Sub-Sector**, where referenced, refers to the specific sub-sector for which the entry is made;
 - (c) **Industry Classification**, where referenced, refers to the activity covered by the non-conforming measure, according to the provisional CPC codes as used in the Provisional Central Product Classification (Statistical Papers Series M No. 77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991);
 - (d) **Obligations Concerned** specifies the obligation(s) referred to in paragraph 1 that, pursuant to Article 3.9 (Non-Conforming Measures), do not apply to the listed measure(s) as identified in the **Description** element of that entry;

- (e) **Description** sets out the non-conforming aspects of the measure to which the entry applies; and
- (f) **Source of Measure** identifies the laws, regulations, rules, procedures, decisions, administrative actions or any other form for which the entry is made. A measure cited in the **Source of Measure** element:
 - (i) means the measure as amended, continued or renewed as of the date of entry into force of this Agreement; and
 - (ii) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure;

3. In the interpretation of an entry, all elements of the entry shall be considered.

1.

Sector	All
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	<p>A non-resident financial institution may in certain circumstances be unable to borrow in Singapore dollars more than S\$5 million from a resident financial institution owing to the following restrictions placed on financial institutions' lending of the Singapore dollar to non-resident financial institutions.</p> <p>A financial institution shall not extend to any non-resident financial institution Singapore dollar (S\$) credit facilities exceeding S\$5 million per non-resident financial institution:</p> <p>(a) where the S\$ proceeds are to be used outside of Singapore, unless:</p> <p>(i) such proceeds are swapped or converted into foreign currency upon draw-down or before remittance abroad; or</p> <p>(ii) such proceeds are for the purpose of preventing settlement failures where the financial institution extends a temporary S\$ overdraft to any vostro account of any non-resident financial</p>

	<p>institution, and the financial institution takes reasonable efforts to ensure that the overdraft is covered within two business days; and</p> <p>(b) where there is reason to believe that the S\$ proceeds may be used for S\$ currency speculation, regardless of whether the S\$ proceeds are to be used in Singapore or outside of Singapore.</p> <p>A financial institution shall not arrange S\$ equity or bond issues for any non-resident financial institution where the S\$ proceeds are to be used outside Singapore, unless the proceeds are swapped or converted into foreign currency upon draw-down or before remittance abroad.</p> <p>“Non-resident financial institution” means any financial institution which is not a resident as defined in the relevant notice.</p>
Source of Measure	<p><i>Insurance Act 1966</i>, MAS Notice 109 <i>Banking Act 1970</i>, MAS Notice 757 <i>Finance Companies Act 1967</i>, MAS Notice 816 <i>Monetary Authority of Singapore Act 1970</i>, MAS Notice 1105 <i>Securities and Futures Act 2001</i>, MAS Notice SFA 04-N04</p>

2.

Sector	All
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	<p>The aggregate of foreign shareholdings in PSA Corporation and/or its successor body is subject to a 49% limit.</p> <p>The “aggregate of foreign shareholdings” is defined as the total number of shares owned by:</p> <ul style="list-style-type: none"> (a) any individual who is not a Singapore citizen; (b) any corporation which is not more than 50% owned by Singapore citizens or by the Singapore Government; and/or (c) any other enterprise which is not owned or controlled by the Singapore Government.
Source of Measure	This is an administrative policy of the Government of Singapore and is inscribed in the Memorandum and Articles of Association of PSA Corporation.

3.

Sector	All
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	<p>All individual investors, apart from the Singapore government, will be subject to the following equity ownership limits in the enterprises, and/or its successor bodies, as listed below:</p> <ul style="list-style-type: none"> (a) Singapore Technologies Engineering – 15%; (b) PSA Corporation – 5%; (c) Singapore Airlines – 5%; (d) PowerGas, SP PowerGrid, SP PowerAssets, Singapore LNG Corporation – 10% <p>For the purposes of this reservation, ownership of equity by an investor in these enterprises and/or its successor bodies includes both direct and indirect ownership of equity.</p>
Source of Measure	This is an administrative policy of the Government of Singapore and is inscribed in the Memorandum and Articles of Association of the relevant enterprises above.

	<i>Gas Act 2001, 2020 Revised Edition, Section 63B</i> <i>Electricity Act 2001, 2020 Revised Edition, Section 30B</i>
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4.

Sector	All
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	<p><u>Business Names Registration Act 2014</u></p> <p>Where a person required to be registered under the Business Names Registration Act, or, in the case of any corporation, the directors, or secretaries of the corporation, do not reside in Singapore, an authorised representative who must be ordinarily resident in Singapore must be appointed.</p>
Source of Measure	<p><i>Business Names Registration Act 2014, 2020 Revised Edition</i></p> <p><i>Business Names Registration Regulations 2015</i></p>

5.

Sector	Manufacturing and Services incidental to Manufacturing
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5) Most-Favoured-Nation Treatment (Article 3.6) Performance Requirements (Article 3.8)
Description	<p>The manufacture of the following products, and services incidental to the manufacture of these products, in Singapore, may be subject to certain restrictions:</p> <ul style="list-style-type: none"> (a) beer and stout; (b) cigars; (c) drawn steel products; (d) chewing gum, bubble gum, dental chewing gum or any like substance, not being a health product categorised as an oral dental gum or a therapeutic product in the First Schedule to the Health Products Act 2007; (e) cigarettes; and (f) matches.
Source of Measure	<i>Control of Manufacture Act 1959, 2020 Revised Edition</i> <i>Health Products Act 2007, 2020 Revised Edition</i>

6.

Sector	Power Supply
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	Only retail electricity licensees with local presence may supply electricity in Singapore.
Source of Measure	<i>Electricity Act 2001</i> , 2020 Revised Edition, Sections 6(1) and 9(1)

7.

Sector	Power Transmission and Distribution
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	Only the Transmission Licensee(s) shall be the owner and operator of the electricity transmission and distribution network in Singapore.
Source of Measure	<i>Electricity Act 2001</i> , 2020 Revised Edition, Sections 6(1) and 9(1)

8.

Sector	Production, Retail, Transportation and Distribution of Manufactured Gas and Natural Gas (Piped Gas)
Sub-Sector	-
Industry Classification	-
Obligations Concerned	National Treatment (Article 3.5)
Description	<p>Only City Gas Ltd and/or its successor body shall be allowed to produce and retail manufactured gas.</p> <p>Only the holder of a gas transporter licence shall be allowed to transport and distribute manufactured and natural gas.</p> <p>Only one gas transporter licence has been issued given the size of the Singapore market.</p>
Source of Measure	<i>Gas Act 2001, 2020 Revised Edition</i>

