

Doing business in Singapore

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We do look after a large number of MNCs, multi-nationals that are venturing in Singapore. And their first concern will generally be what form of vehicle should I take? In Singapore we have three common vehicles - 1) would be a Private Limited Company, which is the best, because this will ensure that the parent could be a 100% shareholder, and at the same time the parent is insulated from any claims and liabilities in Singapore. That's the first vehicle, it's the most common vehicle.

Then there is the de-branch, which is like an extension of the Head Office and they share the same accounts. So that's not so popular, but it's still one of the more viable business options.

And finally, there's the rep office, which is a very temporary solution where they could come and test the market and do a bit of research, and find out a bit more about the Singapore climate before they decide to incorporate.

It's not that different from the rest of the world, actually. In Singapore, for example, a Private Limited Company would have one shareholder, which is a very easy requirement to meet. This shareholder can be a foreign owner, an individual or a corporation. You need one director, which is a resident director, and resident director means where you are working in Singapore or you have a work pass. Some of the benefits of setting up shop in Singapore

would be the ease of setting up. In other jurisdictions we hear horror stories, but in Singapore it just takes five working days. You just need one single director, and the laws are pretty clear as to whether or not you need a licence, for example. There are a few regulated businesses in Singapore, like banking, money lending, dealing with heavy industries, [polluting] materials. Apart from that you will not need a licence. So it's fairly easy to work in Singapore.

And the other thing which I've found always worked for companies coming in is our employment laws. Generally it's contractually based, so it's fairly easy to get a contract out and that will govern the entire employment relationship.

The Government has a very business friendly climate, so there are incentives for companies coming in to Singapore to set up a Head Office or a regional headquarters, lots of government support. And the government support extends to when a local company intends to extend out of Singapore to different areas. There are different entities which help them to do that as well. So it's very viable to set up shop in Singapore and use Singapore as a regional base.

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