



SINGAPORE – 2021

Key findings

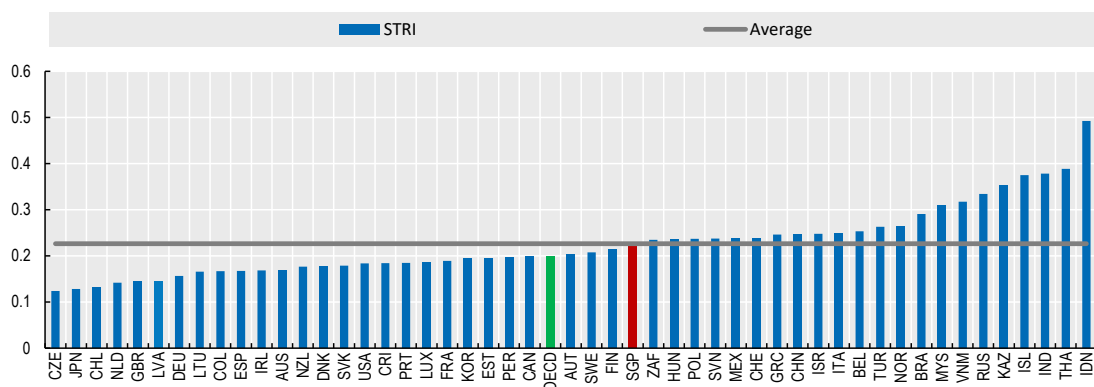
- The 2021 STRI of Singapore is below the average of all countries in the STRI, indicating an open regulatory environment for services trade.
- Singapore has undergone substantial reforms over the years which resulted in improving its STRI over time.
- Accounting services, courier services, road freight transport services, and legal services are among the least trade restrictive in Singapore whereas logistics storage, broadcasting, logistics cargo-handling and engineering services remain the most restrictive compared to the average across all countries.
- Despite the overall favourable environment for services trade, there are some restrictions related to the movement of people.

Recommendation

- Innovation and adoption of technology relies on access to knowledge and to the networks, people, goods and services that carry the knowledge around the world. In this context, Singapore could benefit from more open markets for services trade.

The 2021 STRI of Singapore is below the average of all countries in the STRI indicating an open regulatory environment for services trade (Figure 1).

Figure 1. Average STRI across countries, 2021



Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2021. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, Singapore, South Africa, Thailand and Viet Nam.

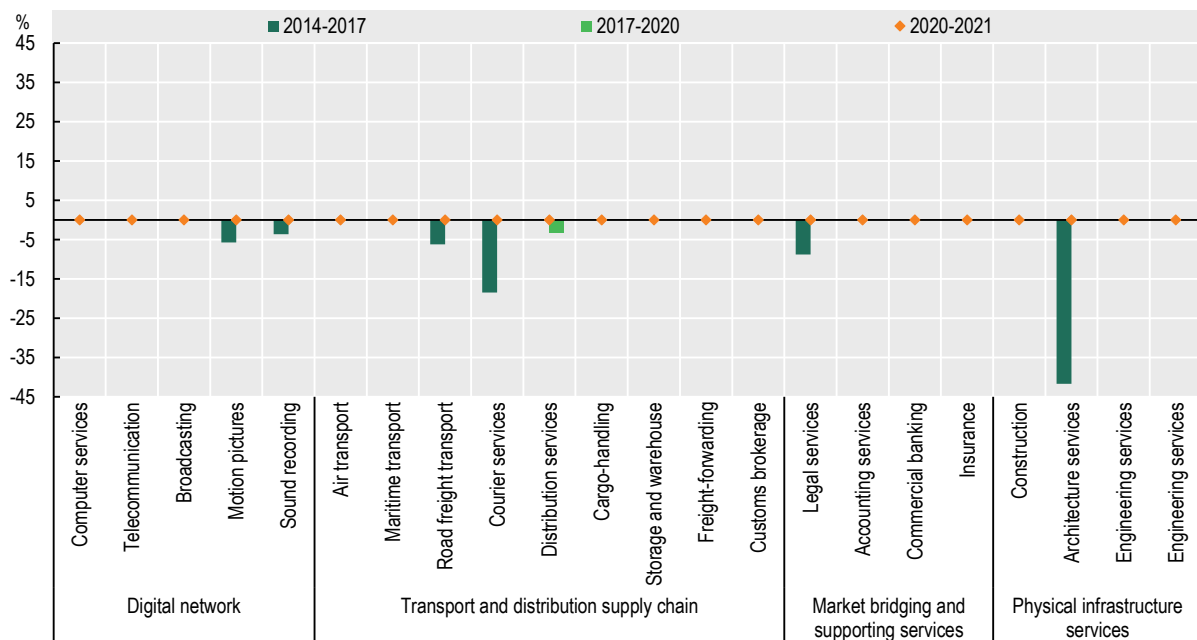
The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law. Source: OECD STRI and TiVA databases (2021).

The 2021 STRI can be explained in large part by general regulations that apply to all sectors in the economy. Singapore has an open regulatory environment for services trade characterised by favourable conditions on market entry for foreign companies, competent institutional structures and transparent regulatory procedures. At the same time, Singapore maintains certain measures in place that affect all services sectors in the economy. For example, every foreign company is required to have at least one authorised representative who is resident in Singapore. Foreigners are also constrained in acquiring real estate with limited exceptions.

Singapore has been progressively introducing reforms over the past years, contributing to easing the conditions for trade and investment in several sectors (Figure 2). The highest levels of liberalisation were recorded in architecture and courier services sectors. No significant changes affecting the STRI database were recorded in 2020-2021.

Figure 2. Evolution of STRI indices by sector in Singapore

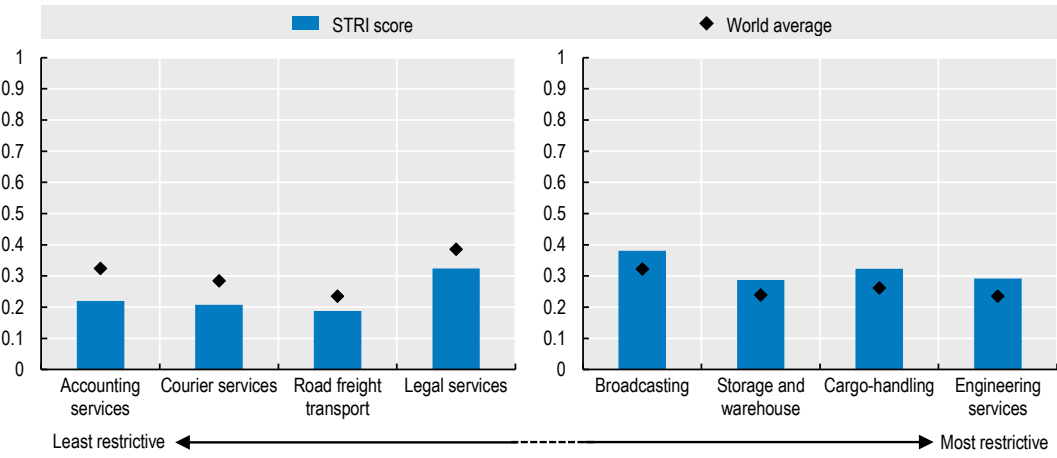
Services Trade Restrictiveness Index, percentage change over the period 2014-2017, 2017-2020 and 2020-2021



Source: OECD STRI database (2021).

Accounting services, courier services, road freight transport and legal services are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Logistics storage, broadcasting, logistics cargo-handling and engineering services are the sectors with the highest score relative to the average STRI across all countries.

Figure 3. Sectoral breakdown: The least and most restricted sectors in Singapore



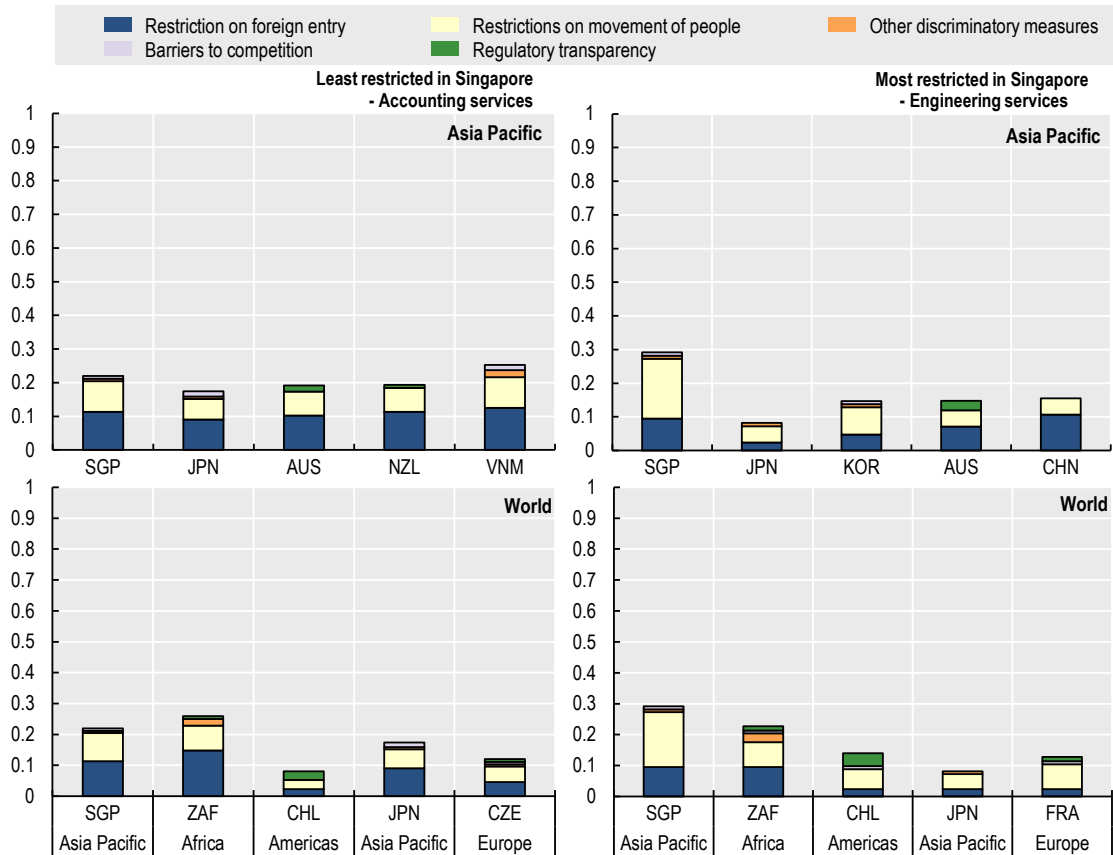
Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

i.e. $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$

Source: OECD STRI database (2021).

Accounting services are the least restricted in Singapore compared to Asia Pacific and the other best performers elsewhere while engineering services are the most restricted (Figure 4).

Figure 4. Singapore compared to Asia Pacific and World's best performers



Source: OECD STRI database (2021).

Key reforms

Singapore has undergone important regulatory reforms over the past years that contributed to substantial services trade liberalisation. The Competition (Block Exemption for Liner Shipping Agreements) Order which exempts maritime liner shipping agreements from certain obligations under the Competition Act expired on 31 December 2021.

More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about services trade policies and their impacts in [Services Trade Policies and the Global Economy](#)
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org