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Introduction



Throughout the year, we have been keeping you up to date on noteworthy developments across the region with our Regional Round-up Publications. As we enter 2021, we are pleased to share with you our inaugural year-in-review edition of the Regional Round-up for our Regional Offices in the Rajah & Tann Asia network.

In each jurisdiction, we recount the milestones in the path that has been travelled in 2020, as well as consider the terrain of the road that lies ahead in 2021. In the "Looking Back: 2020" section, we take stock of the past year and highlight the key legal and regulatory developments affecting each jurisdiction in 2020. In the "Gazing Into: 2021" section, we look ahead to some key areas of development that you should take note of in the year to come, referencing the legal and business trends shaping up potential legislative and regulatory changes in each jurisdiction.

We hope that this year-in-review edition of the Regional Round-up provide some perspective and insight into the legal landscape of the jurisdictions across the region. As always, please feel free to contact our lawyers in our Regional Offices if you have any queries or for further discussions.

Please click on the links below to access the full collection of our country-specific Regional Round-up 2020:

- [Cambodia](#)
- [China](#)
- [Indonesia](#)
- [Laos](#)
- [Malaysia](#)
- [Myanmar](#)
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- [Singapore](#)
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Looking Back: 2020

*In 2020, in order to manage the impact of the **COVID-19 pandemic**, the Singapore Government has implemented legal and regulatory changes concerning, among other things, temporary reliefs for contractual obligations, financial reliefs for businesses and individuals significantly affected by the pandemic, measures facilitating the holding of virtual general meetings and remote dispute resolution proceedings.*

*In the area of dispute resolution, changes to the legislative framework and case law developments in **international arbitration** and **shipping** further develop Singapore's position as a dispute resolution hub in the region.*



*Significant updates were made to **Singapore's insolvency and bankruptcy statutes and case laws** to enhance Singapore's competitiveness as an international hub for restructuring and insolvency.*

*Various initiatives have also been rolled out to support the adoption of **ESG (environmental, social and governance) standards**.*

Other key areas with important developments include:

- *introduction of a legal framework for a new corporate structure for investment funds, **variable capital companies ("VCC")**;*
- *court holdings on legal issues concerning **cryptocurrency** and regulation of **digital payment token**;*
- *guidance on responsible adoption of **technology** such as artificial intelligence ("**AI**") and data analytics solutions, internet of things and related cyber security issues; and*
- *enhancement of business conduct requirements for **financial institutions ("FIs")**.*

Summaries of the key developments relating to the above areas are provided below.

COVID-19 - Temporary Relief to Perform Contractual Obligations

The COVID-19 (Temporary Measures) Act was enacted in April 2020 to introduce a series of temporary legal reliefs and mechanisms for businesses and individuals to aid them in managing the impact of the COVID-19 pandemic. Since then, the Act has been amended to keep pace with the changing circumstances of the pandemic, and to provide necessary clarifications and enhancements. Click [here](#) for the latest changes affecting the Act.

COVID-19 – Virtual General Meetings

Temporary exemption and/or measures have been provided to overcome the COVID-19 control measures, including alternative meeting arrangements for companies and various types of entities to convene, hold or conduct meetings by electronic means. Click [here](#) for the latest update on this development.

COVID-19 – Financial Reliefs for Businesses and Individuals

Apart from the relief measures that directly assist households and individuals, the Singapore Government has set aside funds to implement new schemes and enhance existing ones to support businesses amid the pandemic through four Budgets. Click [here](#) for the latest update on this development.

COVID-19 – Remote Dispute Resolution Proceedings

Major arbitral institutions have generally been shifting procedures online where possible. Where hearings cannot be done away with, some arbitral institutions have issued guidelines and taken other measures to carry on business as usual where possible. Click [here](#) for a discussion on some issues with remote arbitration and steps taken by six major arbitral institutions to manage cases amidst the COVID-19 pandemic.

In furtherance of justice, the Singapore High Court granted leave for foreign factual and expert witnesses to give evidence by video-link in a contested application, while the Singapore Court of Appeal delivered a decision which provides a guide on the courts' approach with regard to an application to testify by video-link. Click [here](#) and [here](#) for more information.

Dispute Resolution - Amendments to International Arbitration Act

The International Arbitration Act ("IAA") (which governs international commercial arbitration proceedings in Singapore) was amended on 1 December 2020 to introduce a default mode of appointment of arbitrators in multi-party situations and recognise that an arbitral tribunal and the Singapore High Court have powers to

enforce confidentiality obligations in an arbitration. Click [here](#) for more information.

Dispute Resolution – Maritime Casualty Claims

Legislative changes are in place to enhance the legal framework for maritime casualty claims. These changes will render Singapore better able to hear salvage claims and allow enforcement of such claims through ship arrest. They also serve to increase the limits of liability for claims against shipowners, making Singapore a more attractive maritime arbitration and litigation jurisdiction. Click [here](#) for more information.

Restructuring & Insolvency – Insolvency, Restructuring and Dissolution Act

The Insolvency, Restructuring and Dissolution Act 2018 ("IRDA") came into force on 30 July 2020. Among other things, the IRDA consolidates the personal and corporate insolvency and debt restructuring laws under one statute and establishes a licensing regime for insolvency practitioners. Click [here](#), [here](#) and [here](#) for more information.

Restructuring & Insolvency – Super Priority Rescue Financing

The Singapore High Court granted a rare instance of super priority for rescue financing over a company's unencumbered assets, and separately in respect of rescue financing that had already been provided prior to the application of super priority. This gives a boost to the local restructuring space as it leads to greater commercial certainty that, where appropriate, rescue financing will be accorded priority with due regard for the rights of existing creditors. Click [here](#) for more information.

Restructuring & Insolvency – Resolving Conflict between Winding-up and Arbitration

In a series of landmark decisions, the Singapore Court of Appeal clarified a crucial question: When a dispute is meant to be arbitrated under an arbitration agreement but the creditor company instead applies to wind up the debtor company, what must the debtor company establish before it can successfully stay or dismiss the winding-up proceedings? Click [here](#) for more information.

Sustainability – Environmental Risk Management for FIs

MAS issued three sets of Guidelines on Environmental Risk Management for banks, insurers and asset managers that set out sound practices in areas concerning, among other things, risk management and disclosure of environmental risk information. Click [here](#) for more information.

Sustainability – SGX's Expectation on Issuers' Sustainability Reporting

Issuers listed on the Singapore Exchange Securities Trading Limited (SGX-ST) are expected to approach sustainability reporting with reference to guidance from Singapore Exchange Regulation (SGX RegCo). Click [here](#) for more information.

Investment Funds – VCC

A new legal framework for VCC was introduced in January 2020, providing a new corporate structure for investment funds vehicles. This is in line with Singapore's drive to be an Asian hub for fund management and fund domiciliation. Click [here](#) for more information.

The Monetary Authority of Singapore ("MAS") has operationalised the VCC framework relating to the offering of collective investment schemes constituted as VCCs or sub-funds thereof to Singapore retail investors. Click [here](#) for more information.

Digital Payment - Landmark Judgment on Cryptocurrency

The Singapore Court of Appeal delivered a groundbreaking decision addressing novel issues relating to cryptocurrency algorithmic trading. Click [here](#) for more information.

Digital Payment – Regulation of Payment Token Derivatives

The regulatory scope of the Securities and Futures Act has been expanded to cover derivatives contracts that reference payment tokens as underlying assets offered on an approved exchange in Singapore to provide safeguards for retail investors. Click [here](#) for more information.

Technology – Responsible AI Adoption for FIs

MAS announced the commencement of the Veritas framework with the development of fairness metrics in two use cases of credit risk scoring and customer marketing. This development highlights the criticality of having an AI and Data Analytics policy for FIs and the key legal, commercial and compliance issues and action items FIs should take note of when employing AI and Data Analytics solutions in their operations. Click [here](#) for more information.

Technology – Internet of Things Cyber Security Guide

The Infocomm Media Development Authority (IMDA) published the new Internet of Things ("IoT") Cyber Security Guide to offer enterprise users better guidance on procuring, deploying and operating IoT technology, while enabling solution providers to verify the security posture of their solutions. Click [here](#) for more information.

Financial Institutions – Individual Accountability and Conduct

FIs regulated by MAS are required to implement appropriate policies and processes to achieve five accountability and conduct outcomes set out in the new MAS Guidelines on Individual Accountability and Conduct. Click [here](#) for more information.

Financial Institutions – New Requirements on Execution of Customers' Orders

Capital markets intermediaries must establish and implement written policies and procedures to, among other things, place and/or execute customers' orders on the best available terms by 3 March 2022. Click [here](#) for more information.

Financial Institutions – Cross-Border Business Arrangements

Currently, MAS provides for an approval framework that permits foreign related corporations of Singapore FIs ("FRCs") to provide cross-border financial services to customers in Singapore without being subject to the licensing requirements in Singapore ("FRC Framework"). MAS announced that it will proceed with its proposal to

move the approval approach under the current FRC Framework to an ex-post notification approach. Click [here](#) for more information.

Financial Institutions – Best Practices for Commodity Financing

The Association of Banks in Singapore issued the "Code of Best Practices – Commodity Financing" that sets out main principles governing prudent commodity trade financing practices for FIs regulated by MAS. The Code provides a benchmark for lending standards for banks in the commodity trading sector. Click [here](#) for more information.

Gazing Into: 2021

The Future Economy Council which is tasked to drive the growth and transformation of Singapore's economy for the future has identified **sustainability** as a key growth area. Apart from the initiatives rolled out by the Singapore government in 2020, more may be implemented to support Singapore's vision to become a centre for **ESG-related solutions and services**.

Proposed changes to the **Personal Data Protection Act** have been passed and are awaiting implementation.



In addition, the following key trends and/or developments are to be noted:

- **5G roll-out** and various issues arising from **digitalisation**;
- increased adoption of **mediation** as an alternative dispute resolution mechanism;
- cross-border trade in the Asia Pacific following the signing of the **Regional Comprehensive Economic Partnership ("RCEP") Agreement**; and
- transition from Singapore Dollar Swap Offer Rate ("**SOR**") to **Singapore Overnight Rate Average ("SORA")** for a range of financial products.

Summaries of some of the 2020 developments leading to the trends highlighted above are provided below.

Sustainability – Sustainability-Linked Loan Grant Scheme

With effect from 1 January 2021, corporates which plan to obtain green and sustainable financing may apply under the Green and Sustainability-Linked Loan Grant Scheme ("**GSLs**") for a grant to defray the expenses of engaging independent service providers to validate the green and sustainability credentials of the loan. In addition, banks which plan to develop green and sustainability-linked loan frameworks may apply under the **GSLs** for co-funding of specified expenses of such frameworks. Click [here](#) for more information.

Sustainability – Resource Sustainability Act

The Resource Sustainability Act was passed in Parliament on 9 September 2019, and forms part of Singapore's Zero Waste Masterplan. The Act is set to be implemented incrementally from 2020 to 2025. Click [here](#) and [here](#) for more information.

Data Protection

Amendments to the Personal Data Protection Act 2012 ("PDPA") have been passed in Parliament but have yet to come into force. The amendments aim to, among other things, strengthen organisational accountability and enable data use and innovations. Draft Advisory Guidelines providing further clarification on key amendments to the PDPA as well as the steps that organisations or individuals should take in order to comply with the new provisions have been issued. Click [here](#) and [here](#) for more information.

Technology – 5G Rollout

In April 2020, the Infocomm Media Development Authority (IMDA) announced the results of the Call for Proposal to facilitate the rollout of 5G networks. It was also announced that Singapore would forge ahead with its efforts to roll out nationwide 5G networks. Click [here](#) for more information.

Digitalisation – Digital Currency

The Monetary Authority of Singapore ("MAS") announced that it discussed the intention for cooperation between Singapore and China in relation to Central Bank Digital Currencies ("CBDC"). The exploration and establishment of CBDC have come under the umbrella of Project Ubin, an MAS initiative to explore the use of blockchain and distributed ledger technology (DLT) for clearing and settlement of payments and securities. Click [here](#) for more information.

Digitalisation – Proposed Changes to Companies Act

The Accounting and Corporate Regulatory Authority conducted a public consultation on proposed changes to Companies Act to cope with the evolving business environment, including changes to facilitate digitalisation. Click [here](#) for more information.

Dispute Resolution – Mediation

The Singapore Convention on Mediation entered into force on 12 September 2020. With the Convention, businesses can rely on mediation as a dispute resolution option for their cross-border transactions with greater certainty and assurance that their mediated outcomes are enforceable. Click [here](#) for more information.

Cross-border Trade – RCEP Agreement

On 15 November 2020, the ten member states of the Association of Southeast Asian Nations (ASEAN), in conjunction with Australia, China, Japan, South Korea, and New Zealand, signed the RCEP Agreement, the world's largest free trade agreement to date. The RCEP Agreement will, among other things, provide more comprehensive trade facilitation measures. Click [here](#) for more information.

Cross-border Trade – Cross-border Use of Public Documents

The Apostille Bill was passed in Parliament to give effect to the Hague Convention of 5 October 1961 Abolishing the Requirement of Legalisation for Foreign Public Documents (Apostille Convention). The Convention aims to facilitate the use of public documents by replacing legalisation with a simplified one-step process. The Bill has yet to come into force. Click [here](#) for more information.

Banking & Finance – Transition from SOR to SORA

To support the transition from Singapore Dollar (SGD) SOR to SORA for a range of financial products, the Steering Committee for SOR Transition to SORA announced key industry timelines set in 2021 to be observed by banks and financial institutions. Click [here](#) for more information.

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