Legal certainty as a competitive factor

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

What investors mean by legal certainty

Legal certainty is a broader idea than the absence of corruption. An investor wants to know in advance which rules will apply to a transaction, how they will be interpreted and how quickly a court will enforce them. He also wants to know that the rules will not be changed retrospectively, that new rules will be announced with sufficient notice and that the administration will apply them consistently. A jurisdiction can be honest and still uncertain, if its laws are obscure, its courts slow or its regulators unpredictable.

Singapore's legal certainty rests on four elements. Its statute law is accessible and regularly consolidated. Its private law is English-based common law, written and argued in English and familiar to the lawyers of the major financial centres. Its courts decide commercial disputes quickly and at moderate cost. Its regulators consult before they legislate and explain how they will exercise their discretion. Each of these elements can be found elsewhere. Their combination in a single jurisdiction in Asia is less common.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

An accessible statute book

Every Act of Parliament in force is published free of charge on Singapore Statutes Online, with its legislative history and earlier versions. A general revision of the statute book was completed in 2021. The revised editions incorporate all amendments up to 1 December 2021 and came into operation on 31 December 2021.[1] The practical consequence is that a foreign lawyer can read the current text of any Singapore statute in English, without subscription, together with a timeline of its versions. Few civil law jurisdictions offer the same ease of access to a foreign reader. The Swiss federal compilation, the closest European equivalent, is authoritative only in German, French and Italian. Its English versions of selected acts have no legal force.

The common law in English

The Singapore Law Reports have been published by the Singapore Academy of Law since 1992, under an exclusive licence from the Supreme Court.[2] Together with the written grounds of decision that the courts publish, they give practitioners a body of reasoned case law in English. Singapore judges cite English, Australian, Canadian and other Commonwealth authorities, while their own decisions are increasingly cited abroad. For a London or New York bank, the doctrinal distance between a Singapore law contract and an English law contract is small. Chapter J.III describes the role of the common law and of the English language in the legal services market in more detail.

The reforms of 1993 and 1994 described above did not lead to a sharp divergence from English law in commercial matters. The Court of Appeal has developed a Singapore approach in some areas, for example on contractual interpretation and on penalty clauses, while preserving the commercial predictability that parties expect. The combination of autonomy and continuity is itself a source of certainty. Parties know that Singapore courts will apply familiar principles and that they will not import every turn of English doctrine automatically.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

Speed and cost of enforcement

The most widely cited measurement of contract enforcement was the World Bank's *Doing Business* survey, which measured business regulation in 190 economies. In its final edition, *Doing Business 2020*, Singapore ranked second overall and first in the world for enforcing contracts. The survey estimated that a commercial dispute took 164 days from filing to payment and cost 25.8 per cent of the claim value. It gave Singapore 15.5 of 18 points on its index of the quality of judicial processes, which measures court structure, case management, automation and alternative dispute resolution. Hong Kong ranked 31st for enforcing contracts.[3]

The same survey recorded the reforms through which Singapore had improved its position. These included a new electronic litigation system, a consolidated law on voluntary mediation and a scheme of arrangement for corporate restructuring with debtor-in-possession features and provisions for prepackaged restructurings.[4] The restructuring reforms were deliberate. They were designed to attract to Singapore the restructuring of Asian companies whose debts had previously been reorganised in New York or London. The relevant provisions now sit in the Insolvency, Restructuring and Dissolution Act 2018.[5]

Predictable regulation

Legal certainty in a financial centre also depends on the regulator. The Monetary Authority of Singapore publishes consultation papers before it issues most new rules, responds to the comments received and publishes guidelines that explain how it will apply its powers. Chapter E.I describes the architecture of the statutes and the instruments through which the authority acts. What matters here is the pattern of behaviour that this process creates. Regulated institutions know that changes will be announced, discussed and phased in, and that the authority will explain its expectations in writing.

The strong position of the regulator has a second side. MAS possesses wide discretion in licensing, supervision and enforcement, while judicial review of its decisions is rare. Investors therefore rely on the regulator's reputation for

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

consistency more than on the possibility of challenging it in court. That reliance has been justified by the record of the authority. It nevertheless differs from the Swiss model, in which the decisions of the Swiss Financial Market Supervisory Authority can be appealed to the Federal Administrative Court and the Federal Supreme Court and in which a larger share of the rules is set out in detailed statutes.[6]

Practical consequences for investors and their advisers

The legal infrastructure described in this chapter translates into concrete choices for those who structure business through Singapore. Choice of law, choice of forum and the conduct of relations with officials should be examined at the outset of any transaction, because they are difficult to change once a dispute has arisen.

- Choose Singapore law expressly for contracts performed in Southeast Asia where the counterparty will accept it, and check whether the contract also needs a forum clause in favour of the Singapore courts, the SICC or arbitration seated in Singapore (Chapters F.II and F.III).
- Verify the current text of every statute relied on through Singapore Statutes Online, and use its timeline of versions to identify the text in force on the date of the relevant transaction.
- Treat gifts, hospitality and travel offered to public servants as potential offences under section 165 of the Penal Code and under the Prevention of Corruption Act, even where no specific favour is sought.
- Remember that the Prevention of Corruption Act covers bribery in the private sector and that Singapore citizens remain liable for corrupt acts committed abroad.
- Include anti-corruption representations, audit rights and termination rights in agency, distribution and introducer agreements, in particular where intermediaries deal with state-owned entities in the region.
- In regulatory matters, follow MAS consultations and guidelines closely, because the authority's published expectations shape its supervisory practice more than formal litigation does.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

- For restructurings, examine the schemes of arrangement and moratoria available in Singapore before choosing a foreign forum.

Notes

1. Prevention of Corruption Act 1960, 2020 Revised Edition, Singapore Statutes Online (sso.agc.gov.sg, accessed November 2026): "This revised edition incorporates all amendments up to and including 1 December 2021 and comes into operation on 31 December 2021"; the page displays the versions of the Act from the 1985 Revised Edition onward. ↩
2. Wikipedia, "Law of Singapore" (accessed November 2026): the Singapore Law Reports were "first published by the Singapore Academy of Law in 1992", "under an exclusive licence from the Supreme Court of Singapore". ↩
3. World Bank, *Doing Business 2020: Economy Profile of Singapore* (archive.doingbusiness.org, opened November 2026), pp. 3–4 and 51–53: 190 economies covered; ease of doing business rank 2 (score 86.2); enforcing contracts rank 1 (score 84.5); time 164 days; cost 25.8% of claim value; quality of judicial processes index 15.5 (0–18). World Bank, *Doing Business 2020: Economy Profile of Singapore*, p. 52, figure "Enforcing Contracts in Singapore and comparator economies": "84.5: Singapore (Rank: 1)", "84.1: Korea, Rep. (Rank: 2)", "69.1: Hong Kong SAR, China (Rank: 31)", "68.2: Malaysia (Rank: 35)". ↩
4. World Bank, *Doing Business 2020: Economy Profile of Singapore*, business reforms: Singapore made enforcing contracts easier "by introducing a consolidated law on voluntary mediation" (DB2018) and "by introducing a new electronic litigation system" (DB2014); made resolving insolvency easier "by establishing a new scheme of arrangement procedure with features of the debtor-in-possession reorganization regime and introducing provisions applicable to prepackaged restructurings". ↩
5. Insolvency, Restructuring and Dissolution Act 2018 (Act 40 of 2018), in force from 30 July 2020. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

6. On appeals against rulings of FINMA to the Federal Administrative Court and the Federal Supreme Court, see Ressos, *Genève, place financière internationale*, partie E, chapitre IV (le cadre réglementaire de la gestion de fortune); Federal Act on the Swiss Financial Market Supervisory Authority (FINMASA) of 22 June 2007. ↩

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com