

Singapore Customs Circular Highlights Compliance Expectations for Advanced Semiconductors and AI Technologies

On 4 April 2025, Singapore Customs issued Circular No. 01/2025 ("**Circular**"), reinforcing the compliance expectations of companies operating in Singapore in relation to advanced semiconductor and artificial intelligence (AI) technologies. The Circular was issued against the backdrop of growing international attention to unilateral export controls, notably those imposed by the U.S., and particularly on semiconductor manufacturing equipment, advanced semiconductors, and AI-related technologies.

Singapore's Strategic Goods Control Framework

Singapore's export control regime is governed by the [Strategic Goods \(Control\) Act 2022](#) ("**SGCA**") and the [Regulation of Imports and Exports Regulations \(Rg1\)](#), which are aligned with major multilateral export control regimes and United Nations Security Council sanctions. Goods and technology that meet the technical specifications set out in the [Strategic Goods \(Control\) Order 2024](#) are subject to export licensing requirements under the SGCA.

The Singapore Government reiterated that all companies must conduct their operations transparently and in full compliance with applicable laws and regulations. It also issued a clear warning that it will take "firm and decisive action" against those found in breach of Singapore's export control laws.

Expectations to Consider Extraterritorial Export Controls

Importantly, the Circular emphasised that Singapore businesses must also remain alert to the implications of foreign export control measures on their international business activities, although Singapore does not formally enforce other countries' export control laws. Particularly, the Singapore Government stated that it does not condone any deliberate attempt to use Singapore's jurisdiction to circumvent such controls. This policy applies across all of Singapore's trading partners.

Companies engaged in the global trade of advanced technologies should take note: engaging in illicit or evasive practices may expose both companies and individuals to legal, operational, and reputational consequences. Singapore authorities have made clear that appropriate enforcement action will be taken where violations occur.

Suggested Compliance Measures and Risk Mitigation

To help mitigate risks and avoid inadvertent violations, the Circular encourages companies to:

- (a) Implement a robust internal compliance programme (ICP), tailored to the company's export risk profile;
- (b) Conduct Know-Your-Customer (KYC) and end-user screening, including checks against red flags such as unusual shipping routes or end-use inconsistencies; and
- (c) Seek legal advice, where appropriate, in transactions involving controlled technologies or transnational business dealings subject to foreign export control regimes.

Guidance materials, including [Singapore Customs' Strategic Trade Handbook](#) and [Singapore Customs' guidance on sanctioned lists and red flags](#) are available to support corporate compliance efforts.

Implications for Business and Compliance

While Singapore's regulatory framework on export controls is not new, enforcement activity and international cooperation are expected to intensify amid growing geopolitical sensitivities. Businesses that have not yet implemented appropriate compliance measures face increasing risk—especially those dealing with high-performance computing, semiconductors, and AI systems.

As Singapore positions itself as a trusted global hub for trade and technology, the Singapore Government has made clear that companies must play their part in safeguarding the integrity of its business environment.

At **Taxise Asia LLC**, we advise on all aspects of trade compliance, including export controls, dual-use technology regulation, cross-border investigations, and supply chain risk management. Our team supports clients navigating complex trade laws across Singapore, the United States, and the wider Asia-Pacific region.

You may access the full Circular issued by Singapore Customs [here](#).

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About WTS Taxise

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