

Shenzhen, China	Shanghai, China	Beijing, China	Taipei, Taiwan	Singapore	New York, USA
Rooms 1203-06, 12/F. Di Wang Commercial Centre 5002 Shennan Road East Luohu District, Shenzhen T: +86 755 8268 4480	Room 603, 6/F., Tower B Guangqi Culture Plaza 2899A Xietu Road Xuhui District, Shanghai T: +86 21 6439 4114	Room 303, 3/F. Interchina Commercial Bldg. 33 Dengshikou Street Dongcheng District, Beijing T: +86 10 6210 1890	Room 303, 3/F. 142 Section 4 Chung Hsiao East Road Daan District, Taipei T: +886 2 2711 1324	138 Cecil Street #13-02 Cecil Court Singapore 069538 T: +65 6438 0116	202 Canal Street Suite 303, 3/F. New York NY 10013, USA T: +1 646 850 5888

Guide to Starting a Traditional Chinese Medicine Business in Singapore

Traditional Chinese Medicine (TCM) plays an important role in our daily life, recently the cooperation between TCM and Western Medicine has been increasing, which also boosted the market for Traditional Medicine, the benefits of TCM are widely recognized by consumers. TCM in Singapore has a history that goes back to more than a century.

Internationalization of TCM enterprises

Singapore is one of the countries in Southeast Asia with comparatively good development of TCM. Beside the domestic listed Eu Yan Sang International Ltd, there are other listed TCM companies from China, such as Pharmesis International Ltd. and Tianjin ZhongXin Pharmaceutical Group Corp Ltd. The Singapore government also encourages TCM enterprise to list on the Singapore stock exchange, which has a relatively large pool of international capital and relatively low listing requirement. Compared with Hong Kong and some other international bourses, even the medium-sized TCM firms can easily get listed in Singapore as the Singapore exchange is comparably small. The Singapore exchange also vows to strengthen exchanges between China and Singapore business communities, in order to overcome the biggest obstacle for Chinese TCM firms heading to Singapore.

Government Support

The Ministry of Health has announced to allocate SGD5 million for the development of TCM. Additional SGD 5million for the existing TCM research subsidy scheme to encourage more research projects. These have attracted some of the leading TCM companies to set up their R&D centers in Singapore, therefore bring the industry up to global standards. Singapore's tax system is viewed as "simple and investor friendly". The highest corporate income tax rate on taxable income is 17%, offering foreign investors a bigger advantage to run a business.

Regulation

Singapore has established the regulatory framework. The Traditional Chinese Medicine Practitioners Act, which was passed in Parliament in 2000, requires all TCM Practitioners to be registered with the TCM Practitioners Board included acupuncturists and TCM physicians. All who practise TCM are required a valid practising certificate. From December 2005, Chinese Medicinal Materials dispensers who graduated from the Chinese Medicinal Materials (CMM) Training course (Intermediate module) are voluntarily listed with the TCM Practitioners Board.

All Chinese Proprietary Medicines (CPM) i.e. products in the finished dosage forms (e.g. tablet, capsule, liquid) are regulated by the Health Sciences Authority (HSA) and must comply with a set of safety and quality criteria before they are allowed to be sold in Singapore. In addition, CPM dealers (importers, wholesale dealers and manufacturers) are also required to be licensed by HSA.

Singapore allows individuals with medical licenses to start a medical practice. You can choose to register the medical clinic under a business entity. Prior to starting a Traditional Chinese Medicine Business in Singapore, one must register a company with Accounting and Corporate Regulatory Authority of Singapore (“ACRA”).

1. Types of registers of TCM practitioners registration

- (1) Acupuncturists (currently only opened to qualified Singapore registered doctors and dentists)

Application Fee for Acupuncturist registration is S\$250.

- (2) TCM Physicians

Application Fee for TCM Physician registration is S\$300.

2. Types of registration of TCM Practitioners

Applicant who completed and obtained recognised basic TCM qualification in Singapore (including NTU Double Degree course) may apply for registration directly online.

Singaporean with recognised foreign basic TCM qualification obtained from overseas may apply for registration directly online.

Singapore Permanent Resident (PR) / Foreigner with recognised foreign basic TCM qualification from overseas and fulfils practice experience requirement may apply for registration online through local employer who has the intention to employ the applicant.

There are 2 types of registration for TCM practitioners:

(1) Full Registration

Full registration allows a TCM practitioner to practise his prescribed area(s) of TCM on his own anywhere in Singapore.

Applicants are required to take and pass the Singapore TCM-physicians Registration Examination (STRE) conducted by the TCM Practitioners Board before they can be considered for full registration. STRE is conducted in Chinese language once a year.

(2) Conditional Registration

Conditional registration allows a TCM practitioner to work in an approved TCM healthcare establishment, under the supervision/charge of a TCM practitioner on full registration.

Only 1 attempt to take the first available Singapore TCM-physicians Registration Examination (STRE) is allowed after completing 3 years of full-time practice under supervision in Singapore, with no adverse report(s) or complaints. Request for extension of conditional registration to continue practice till commencement of STRE will not be granted.

The registration of TCM practitioner on Conditional Registration will lapse upon resignation / termination of employment / departure from their approved place of practice, including any period of no-pay leave taken.

3. Registration requirements

(1) Academic Qualification

Applicant must possess any one of the following qualifications (as gazetted):

- (a) A diploma of the 6-year part-time or 3-year full-time diploma course in TCM conducted by one of the following local TCM institutions:
 - (i) Singapore College of Traditional Chinese Medicine;
 - (ii) Institute of Chinese Medical Studies; or

- (b) A TCM graduation certificate of the 7-year part-time or 5-year full-time undergraduate course conducted by one of the following local TCM institutions:
 - (i) Singapore College of Traditional Chinese Medicine;
 - (ii) Institute of Chinese Medical Studies; or

- (c) A 5-year full-time bachelor degree in TCM (conducted in Chinese) from one of the following TCM institutions from the People's Republic of China:
- (i) Beijing University of Chinese Medicine;
 - (ii) Chengdu University of Traditional Chinese Medicine;
 - (iii) China Academy of Traditional Chinese Medicine;
 - (iv) Guangzhou University of Chinese Medicine;
 - (v) Heilongjiang University of Chinese Medicine;
 - (vi) Nanjing University of Chinese Medicine;
 - (vii) Shandong University of Traditional Chinese Medicine;
 - (viii) Shanghai University of Traditional Chinese Medicine.

(2) Practice experience:

Besides academic qualification, applicants with foreign TCM qualifications must also fulfil any of the following requirements on practice experience:

(a) Singaporeans with Recognised Foreign TCM qualifications

- (i) Singaporeans with no valid foreign registration certificate and practising certificate:

Complete at least 1 year of clinical attachment, including at least 403 hours of structured TCM Clinical Training at an approved local TCM educational institution* before taking the Singapore TCM Physicians Registration Examination (STRE).

- (ii) Singaporeans **with** valid foreign registration certificate and practising certificate:

- Hold valid registration certificate and practising certificate from the country of practice and current certificate of good standing (within 3 months from date of issue);
- Complete at least 1 year of TCM clinical attachment under conditional registration at an approved local TCM establishment** before taking the STRE for full registration.

(b) Foreigners and Permanent Residents with Recognised TCM qualifications

- (i) Hold valid registration certificate and practising certificate from the country of practice and current certificate of good standing (within 3 months from date of issue);

- (ii) Show proof of potential employment as a TCM physician to practise TCM full-time in Singapore;
 - (iii) Have sufficient TCM clinical experience at approved TCM establishments in the country of practice accepted by the Board and hold the appointment of "Deputy Chief Physician" or higher;
 - (iv) Complete at least 3 years of TCM practice in Singapore under conditional registration at an approved local TCM establishment** before taking the STRE for conversion to full registration.
- (c) Foreigners with Outstanding Skills and Expertise
- (i) Have outstanding TCM skills and expertise acceptable to the TCM Practitioners Board;
 - (ii) Hold valid registration certificate and practising certificate from country of practice and current certificate of good standing (within 3 months from date of issue);
 - (iii) Show proof of potential employment as TCM physician to practise TCM full-time in Singapore;
 - (iv) Have at least 15 years of TCM clinical experience at recognised TCM institution(s) in the country of practice, with at least 5 years as "Chief Physician"; or specific considerations by the Board on a case by case basis based on the particular outstanding skills and expertise.

Notes

***Approved local TCM educational institution** refers to the following:

- (1) Singapore College of TCM;
- (2) Institute of Chinese Medical Studies; and
- (3) Nanyang Technological University.

****Approved local TCM establishment** refers to:

A local TCM clinic with at least 3 TCM physicians on full registration and one of whom shall be the TCM physician-in-charge responsible for the supervision of TCM physicians on conditional registration as follows:

- (1) The TCM physician-in-charge must have qualifications approved by the Board and has at least 15 years of local TCM practice experience; and
- (2) The TCM physician-in-charge shall supervise only one TCM physician on conditional registration at any one time.

4. Practising Certificates (PCs)

Upon approval on the application and passing the STRE, the successful applicant will be required to apply for a Practising Certificate (PC) with payment of the prescribed PC Fees. All TCM practitioners in active practice, whether on Full Registration or Conditional Registration, must hold valid PCs before he/she can start practising TCM in Singapore.

The compulsory Continuing Professional Education (CPE) programme is implemented with effect from 1 Apr 2020. All TCM practitioners are required to fulfil compulsory Continuing Professional Education (CPE) requirements before they may renew their PCs. TCM practitioners are required to submit their PC renewal application online through the Board's website (between 1 April to 31 May) before the expiry of their PCs in June.

A late payment fee of \$75 will be imposed for PC renewal application received after 31 May, or \$200 if PC renewal application is made after the expiry of the PC in June. It is an offence to practice with a valid PC, therefore TCM practitioners must ensure that they renew their PC on time.

5. Applying for a new clinic licence

- (1) Pre-application (at least 2 months before intended commencement date)
 - (a) Submit the TCM clinic name to TCM Practitioners Board for clearance and approval before register with ACRA
 - (b) Prepare Accounting and Corporate Regulatory Authority (ACRA) Profile
 - (c) Prepare Singapore Civil Defence Force (SCDF)'s Fire Safety Certificate
- (2) Application
 - (a) Login to E-Licensing for Healthcare ("eLis") using CorpPass or SingPass
 - (b) Complete all sections and attach supporting documents
 - (c) Submit application & pay licence fees as stated
- (3) Inspection
 - (a) Receive email notification to arrange for inspection
 - (b) Ensure documents are ready for inspection
- (4) Outcome
 - (a) Receive email notification on application status within 5 working days from the date when all licensing requirements are met
 - (b) View on eLis upon approval.

6. Chinese Proprietary Medicine (CPM)

For company wish to sell CPM, the CPM must be listed and approved for sale in Singapore. Companies applying for the Import Licence for CPM would need to demonstrate their compliance with Health Sciences Authority (HAS)'s Good Distribution Practice (GDP) standard.

If the products are imported for the purpose for re-selling, the company must apply for the Wholesale Dealer's Licence for Chinese Proprietary Medicines.

Generally, CPM dealers must ensure compliance with the following requirements:

- (1) The CPM must not contain:
 - (a) Any substances Scheduled in the Poisons Act
 - (b) Any synthetic drugs
 - (c) Amygdalin, pangamic acid or its salts, danthron, suprofen or its salts and rhodamine B
 - (d) Any other substances except those stated on the labels
- (2) The CPM must not exceed the limits set for
 - (a) Toxic heavy metals
 - (b) Microbial contamination
- (3) The CPM must meet labeling requirements and the labels and packaging materials refrain from mentioning any of the 19 diseases/conditions specified in the First Schedule of the Medicines Act. Examples are cancer, diabetes, hypertension and sexual function, etc.
- (4) Any advertisements and sales promotion must be approved via a permit from the Health Sciences Authority.

Kaizen suggests you to consult with professional advisors before the proposals coming into effect. Kaizen Singapore office is able to provide clients with the TCM licence application and consultancy services, please consult our professional consultant.

If you need assistance or wish to obtain more information, please visit our official website at www.kaizencpa.com or contact us through the following methods:

T: +852 2341 1444

M: +852 5616 4140, +86 1521 9434 614

WhatsApp/Line/WeChat: +852 5616 4140

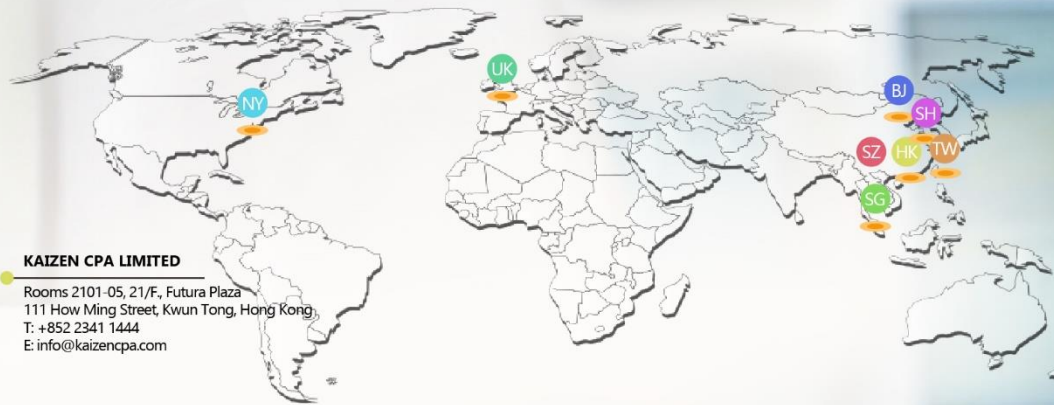
Skype: kaizencpa

E: info@kaizencpa.com

SERVICES SCOPE



CONTACT US



KAIZEN CPA LIMITED

Rooms 2101-05, 21/F, Futura Plaza
111 How Ming Street, Kwun Tong, Hong Kong
T: +852 2341 1444
E: info@kaizencpa.com

SHENZHEN, CHINA

Rooms 1203-06, 12/F
Di Wang Commercial Centre
5002 Shennan Road East
Luohu District, Shenzhen
T: +86 755 8268 4480

SHANGHAI, CHINA

Room 603, 6/F., Tower B
Guangqi Culture Plaza
2899A Xietu Road
Xuhui District, Shanghai
T: +86 21 6439 4114

BEIJING, CHINA

Room 303, 3/F, Interchina
Commercial Building
33 Dengshikou Street,
Dongcheng District, Beijing
T: +86 10 6210 1890

TAIPEI, TAIWAN

Room 303, 3/F
142 Section 4, Chung Hsiao
East Road, Daan District
Taipei, Taiwan 10688
T: +886 2 2711 1324

SINGAPORE

138 Cecil Street, #13-02 Cecil
Court, Singapore 069538
T: +65 6438 0116

NEW YORK, USA

202 Canal Street Suite 303, 3/F
New York
NY 10013, USA
T: +1 646 850 5888

LONDON, UK

Unit 2, 2/F, 39-41 High Street,
New Malden, Surrey
KT3 4BY, UK
T: +44 20 8144 6466