

# **Strategic Goods (Control) (Amendment) Bill**

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**Bill No. 35/2007.**

*Read the first time on 27th August 2007.*

A BILL

*i n t i t u l e d*

An Act to amend the Strategic Goods (Control) Act (Chapter 300 of the 2003 Revised Edition).

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

### Short title and commencement

1. This Act may be cited as the Strategic Goods (Control) (Amendment) Act 2007 and shall come into operation on such date as the Minister may, by notification in the *Gazette*, appoint.

### 5 Amendment of section 2

2. Section 2(1) of the Strategic Goods (Control) Act (referred to in this Act as the principal Act) is amended —

(a) by inserting, immediately after the definition of “country”, the following definition:

10 “ “development”, in relation to any goods, means any stage prior to the serial production of the goods, including design, design research, design analysis, development of a design concept, assembly and testing of a prototype, pilot production, generation of design data, the process of transforming design data into a product, configuration design, integration design, and layout;”;

(b) by inserting, immediately after the definition of “permit”, the following definition:

20 “ “production”, in relation to any goods, means any stage of production of the goods, including construction, production engineering, manufacture, integration, assembly, mounting, inspection, testing, and quality assurance;”;

(c) by deleting the definitions of “strategic goods”, “strategic goods technology” and “technology” and substituting the following definitions:

25 “ “software” means a collection of one or more programs or microprograms recorded, stored or embodied in any device;

30 “strategic goods” means any goods prescribed by the Minister as strategic goods under section 4A;

“strategic goods technology” means any technology prescribed by the Minister as strategic goods technology under section 4A;

5 “technology” means information (including information comprised in such documents as specifications, blueprints, plans, manuals, models, diagrams, formulae, tables and designs) that is necessary for the development, production or use of any goods, and includes software;”; and

(d) by deleting the full-stop at the end of the definition of “transmit” and substituting a semi-colon, and by inserting immediately thereafter the following definition:

10 ““use”, in relation to any goods, means the operation, installation, maintenance, inspection, repair, overhaul or refurbishing of the goods.”.

#### **New section 4A**

15 **3.** The principal Act is amended by inserting, immediately after section 4, the following section:

#### **“Strategic goods and strategic goods technology**

**4A.**—(1) The Minister may, by order published in the *Gazette*, prescribe —

20 (a) any military or dual-use goods as strategic goods for the purposes of this Act; or

(b) any military or dual-use technology as strategic goods technology for the purposes of this Act.

(2) In subsection (1) —

25 “dual-use goods” means goods capable of being used for both a non-military purpose and a military purpose or relevant activity;

“dual-use technology” means technology necessary for the development, production or use of any dual-use goods;

30 “military goods” means goods solely or predominantly designed or modified for a military purpose, including any part or component thereof;

“military technology” means technology necessary for the development, production or use of any military goods.”.

### **Amendment of section 5**

#### **4. Section 5 of the principal Act is amended —**

(a) by deleting paragraph (a) of subsection (1) and substituting the following paragraph:

5                   “(a) export, tranship or bring in transit any strategic goods;”;

(b) by inserting, at the end of subsection (1)(b), the word “or”;

(c) by deleting the word “; or” at the end of subsection (1)(c) and substituting a full-stop;

10                   (d) by deleting paragraph (d) of subsection (1);

(e) by inserting, immediately after subsection (3), the following subsection:

                  “(3A) Subsections (1) and (2) do not apply to any technology in the public domain.”; and

15                   (f) by deleting the words “or maintenance” in subsection (4)(a) and substituting the words “, maintenance or repair”.

### **Amendment of section 6**

#### **5. Section 6 of the principal Act is amended —**

(a) by deleting paragraph (a) of subsection (2) and substituting the following paragraph:

20                   “(a) such strategic goods as may be specified by the Minister by order published in the *Gazette*; or”;

(b) by deleting subsection (3) and substituting the following subsections:

25                   “(3) Subsection (1) applies to —

                  (a) such strategic goods technology as may be specified by the Minister by order published in the *Gazette*; and

                  (b) any technology —

30                                 (i) which that person has been notified by an authorised officer or a senior authorised officer is intended or likely to be used, wholly or in part, for or in connection with a relevant activity;

(ii) which he knows is intended to be used, wholly or in part, for or in connection with a relevant activity; or

(iii) which he has reasonable grounds to suspect is intended or likely to be used, wholly or in part, for or in connection with a relevant activity.

(3A) Subsection (1) does not apply to any technology in the public domain.”; and

(c) by deleting the words “or maintenance” in subsection (7)(a) and substituting the words “, maintenance or repair”.

### **Repeal of section 37**

6. Section 37 of the principal Act is repealed.

### **Repeal of Schedule**

7. The Schedule to the principal Act is repealed.

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## EXPLANATORY STATEMENT

This Bill seeks to amend the Strategic Goods (Control) Act (Cap. 300) for the following main purposes:

- (a) to extend the application of the Act to dual-use goods and dual-use technology to be prescribed by the Minister;
- (b) to regulate the bringing in transit of prescribed strategic goods; and
- (c) to enable strategic goods and strategic goods technology to be set out in an order to be published in the *Gazette* rather than in a Schedule to the Act.

Clause 1 relates to the short title and commencement.

Clause 2 amends section 2(1) by inserting definitions for several terms used in new section 4A.

Clause 3 inserts a new section 4A which empowers the Minister to prescribe, by order published in the *Gazette*, military or dual-use goods as strategic goods, and military or dual-use technology as strategic goods technology, for the purposes of the Act.

Clause 4 amends section 5 (Transfer of strategic goods, etc.) to prohibit the bringing in transit of strategic goods as prescribed under the new section 4A except with a permit. The clause also provides that the prohibitions under the section do not extend

to technology in the public domain, or to an act involving technology necessary for the repair of goods where a permit has been obtained or is not required for their export, transshipment or bringing in transit.

Clause 5 amends section 6 (Brokering of strategic goods, etc.) to provide that the prohibition against brokering applies to strategic goods and strategic goods technology specified by the Minister by order published in the *Gazette*. The clause also provides that the prohibitions under the section do not extend to technology in the public domain, or to an act involving technology necessary for the repair in a foreign country of goods that are not strategic goods.

Clauses 6 and 7 repeal section 37 (Amendment of Schedule) and the Schedule, respectively, as these are no longer needed with the prescription and publication of strategic goods and strategic goods technology in an order.

### EXPENDITURE OF PUBLIC MONEY

This Bill will not involve the Government in any extra financial expenditure.

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