








ASIA PACIFIC
**Post-Termination
Restriction Overview**









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With workplaces becoming increasingly globalised and employees taking on more international responsibilities, employers are likely to face new challenges in applying restrictive covenants across multiple jurisdictions. Employers often use restrictive covenants not just for key personnel but for anyone with access to confidential information, which means restrictions may be applied to a wide range of employees. We have summarised the law in 11 Asia Pacific countries in relation to non-compete restrictive covenants, confidentiality and trade secret protections, with the position varying dramatically between countries.







Non-Compete Restrictive Covenants

Jurisdiction	Are post-termination non-competes enforceable?	What is the maximum length?	Are there restrictions on geographic scope?	Is extra compensation required?
 Australia	Yes.	No maximum length set by the statute, as case law provides guidance, typically between 3 - 12 months will be enforced, with longer period in exceptional circumstances.	No, however, enforcement of the restraint outside of Australia may be problematic.	No, but it will be a factor considered when determining whether the restraints are reasonable as between the parties.
 China	Yes.	Two years is the maximum length specified in the Employment Contract Law.	None specified in law (in practice, usually China).	Yes, under the Employment Contract Law, compensation for the non-compete will be payable to the employee on a monthly basis after termination.
 Hong Kong	Yes.	It depends on the industry and circumstances. Generally 3 - 6 months will be enforced, with longer periods in exceptional circumstances.	Usually, yes.	No, but consideration must be provided at the time of execution.
 Indonesia	Technically yes, (i.e., they are not prohibited) but in practice extremely difficult to enforce.	None specified in law, but it must be reasonable.	None specified in law, but must be reasonable.	No, but it may assist with enforcement.
 Japan	Yes.	In practice, two years would be the maximum (although there is no strict legal limit).	Not specifically required in law, but the court considers this point when determining the enforceability (in practice, usually Japan).	Not specifically required in law, but the court considers this point when determining the enforceability.






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 Malaysia	No.	N/A	N/A	N/A
 Philippines	Yes.	None specified in law. Courts have accepted up to 2 years.	None is specified in law but in practice in the Philippines.	No.
 Singapore	Yes.	No statutory or strict legal limit. Ultimately, it is a question of whether it is a reasonable period.	There is no statutory or strict legal limit. Ultimately, it is a question of whether it is a reasonable geographical scope.	No, but the offer of payment may enhance enforceability.
 Taiwan	Yes.	A maximum of 2 years under the Labor Standards Law.	Under the Labor Standards Law, the geographical scope must be reasonable.	Yes, under the Labor Standards Law, the employer must provide reasonable compensation to the employee for the loss he or she suffers due to complying with the non-compete clause.
 Thailand	Yes.	It depends on each case (e.g., the employee's job and responsibilities, scope of the restrictions). The court has accepted between 1 - 2 years.	Yes, the scope must be limited (e.g., within Thailand only).	No.
 Vietnam	No specific regulation, so unpredictable.	There is a recommended maximum of 12 months.	It is not specified in law (in practice more likely to be enforced in Vietnam).	No.

Confidentiality/Trade Secret Protections

Jurisdiction	Can companies stipulate that confidentiality protections are indefinite?	In absence of an agreement, are there default statutory protections for confidential information/trade secrets?	What remedies are available for theft/misuse of confidential information/trade secrets?	Is enforcement strong in the jurisdiction?
 Australia	Yes, provided the information is both objectively confidential and treated as such.	No, but the common law protects confidential information during employment and trade secrets post-termination.	Breach of contract with application for injunctive relief.	Yes.
 China	Yes.	Yes, if information meets statutory definition of trade secrets.	Administrative enforcement (AIC), civil court claims and criminal penalty (if amount of damages is very large).	No.
 Hong Kong	Yes.	No, but the common law protects confidential information during employment and trade secrets post-termination.	Civil court claims for breach of confidence/breach of contract.	Yes.
 Indonesia	Yes.	Yes, if information meets statutory definition of trade secrets.	Civil claim (damages) or criminal penalty (imprisonment or fine).	No.
 Japan	Yes.	Yes, if information meets statutory definition of trade secrets.	Civil claims and criminal penalty.	No.
 Malaysia	Yes but the statutory limitation period for civil claims is 6 years from when the cause of action arose.	No. That said, there is the common law-implied duty not to use, divulge and/or disclose any confidential information obtained during the course of employment with the former employer.	Civil court claims (i.e., injunction and/or damages for breach of contract).	Yes.

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 Philippines	Yes.	Yes.	Civil claim and criminal penalty.	No.
 Singapore	Yes, for so long as the information remains confidential and is not in the public domain.	No, but there is common law tort of breach of confidence	Civil (injunctive relief, damages) Potential criminal liability under the Computer Misuse and Cybersecurity Act (depending on manner of theft of information).	Yes.
 Taiwan	Yes, but the court can reduce the length on a case-by-case basis.	Yes, if information meets statutory definition of trade secrets.	Civil and criminal liability.	Yes. Recent case law shows an increase in using trade secret protection rather than intellectual property protection.
 Thailand	Yes.	Yes, if information meets statutory definition of trade secrets.	Civil court claim for damages and/or cessation of activities (e.g., injunction), or criminal penalty.	No.
 Vietnam	Yes.	Yes, if information meets statutory definition of trade secrets.	Disciplinary actions against the current employee, civil court claims for provisional emergency measures and/or compensation for damage suffered.	No.

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