

insync

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SINGAPORE CUSTOMS MAGAZINE

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Singapore and the United Kingdom
now enjoy faster customs clearance



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Maintaining vigilance in our control of strategic goods



FEATURES

Fostering global partnerships and strengthening trade bonds



NEWS

Singapore Customs moves to 100% e-Guarantees

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EDITORS' NOTE

This edition of inSYNC showcases Singapore Customs' multifaceted work in protecting revenue and furthering our nation's international trade relationships. Our officers' dedication and diligence shine through no matter the task – from combatting duty evasion or the proliferation of illicit goods such as strategic goods, to forging global partnerships.

In June 2023, we inked a Mutual Recognition Agreement (MRA) with His Majesty's Revenue and Customs (HMRC). This MRA allows companies under Singapore Customs' Secure Trade Partnership-Plus programme to export goods to the United Kingdom (UK) with less documentation and cargo inspections. Details are on page 5.

As maintaining positive international relations is integral to Singapore Customs' operations, we actively participate in international fora – including the World Customs Organisation Council Sessions in June 2023 – and host delegations such as the UK HMRC in July and Hong Kong Customs in August. Read more on pages 6 and 7.

Like the international community, Singapore is also concerned about the proliferation of weapons of mass destruction. As a responsible trading nation, we are committed to enforcing safeguards against the illicit movement of strategic goods through our ports. Singapore Customs thus regularly engages with our foreign counterparts on the latest developments and best practices for control regimes, as shared in the next two pages.

During our National Day Observance Ceremony in August, we honoured officers who went the extra mile, including conducting training that enriched their peers' professional growth and development. Further details are on page 8.

By the end of this issue, we hope you would have a deeper understanding of Singapore Customs' intricate functions.

ISABEL CHIA AND NUR ASYKIN
Editors

Maintaining vigilance in our control of strategic goods

••• Working closely with our regional and international counterparts, Singapore Customs remains steadfast in strictly enforcing the regulations for such goods.

Singapore implemented the Strategic Goods (Control) Act (SGCA) on 1 January 2003 to regulate the trade in strategic goods and strategic goods technology – or strategic trade.

Strategic goods are items and their related technology which can be used to produce weapons of mass destruction, or missiles capable of delivering such weapons. They include arms and military equipment, and commercial items that can be deployed for commercial or military purposes, or used to develop weapons of mass destruction.

In enforcing the SGCA and its regulations, Singapore Customs' key functions include processing permit applications for strategic goods, as well as registering and auditing arms brokers. We also conduct industry outreach and public awareness programmes, even as we serve as the focal point for local and international enquiries.

As a responsible trading nation which upholds the need for safeguards against the illicit movement of such strategic goods through our ports, Singapore Customs regularly engages our foreign counterparts at related events.

REGIONAL STRATEGIC INTERDICTION TABLE-TOP EXERCISE

24 to 26 July 2023, Singapore

Singapore Customs co-hosted this table-top exercise, together with colleagues from the United States (U.S.) Department of State's Export Control and Border Security Program and the U.S. Department of Homeland Security's Homeland Security Investigations.

Comprising government officials from Malaysia, Singapore and the U.S., the participants engaged in fruitful discussions on several case studies relating to strategic goods and the United Nations Security Council's Resolutions. Through such exchanges in views and best practices, we reaffirmed our commitment to trade security and its regional advancement.



Government officials from Malaysia, Singapore and the United States who attended the event.

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11TH JOINT INDUSTRY OUTREACH SEMINAR ON STRATEGIC TRADE MANAGEMENT

3 August 2023, Singapore

Coming from various industries and government agencies from various countries, close to 900 in-person and virtual participants attended this annual seminar – which comprised a hybrid session in the morning and in-person breakout discussions in the afternoon.

Participants learnt of the latest regulatory updates implemented by various regions and countries, including the European Union, the U.S., Germany, Japan, Malaysia, the Philippines, Singapore and Thailand. The in-person breakout sessions centred around strategic trade management. Key topics included identifying and mitigating risks, as well as illicit procurement practices to acquire critical materials of proliferation concern.

The seminar was jointly organised by Singapore Customs, the U.S. Department of Commerce (U.S. Bureau of Industry and Security), the U.S. Department of State (U.S. Export Control and Related Border Security Program), the U.S. Department of Energy, and Japan’s Ministry of Economy, Trade and Industry.



Singapore Customs’ Senior Assistant Director-General (Trade), Mr Lee Boon Chong, delivered the Opening Remarks.



Attendees learnt of the latest regulatory updates that various regions and countries implemented.



Participants engaged in discussions on Strategic Trade Management during the breakout sessions.

Case files: Enforcement Highlights

CASE 1: FOUR MEN ARRESTED AND OVER 4,500 CARTONS OF DUTY-UNPAID CIGARETTES SEIZED

During an operation at Penjuru Road on 18 May 2023, Singapore Customs officers saw two men loading carton boxes concealed in black bags onto a lorry in an industrial unit. Another man acted as a lookout from a nearby carpark.

One of the men then drove the lorry and parked it along Tanjong Penjuru Crescent. Officers moved in to check on the lorry and found 760 cartons of duty-unpaid cigarettes in its rear compartment. After detaining the lookout at the carpark, officers moved in on the industrial unit where they uncovered 3,800 cartons of duty-unpaid cigarettes concealed in partition boards. All three men were arrested, and the lorry was seized.

A follow-up search at one man’s residence led to a seizure of seven cartons and 100 packets of duty-unpaid cigarettes.

In all, over 4,500 cartons of duty-unpaid cigarettes were seized during the operation. The duty and GST evaded amounted to about \$449,461 and \$40,461 respectively.

Investigations revealed that one of the men was engaged by an unknown individual to recruit workers to retrieve and repack the duty-unpaid cigarettes, and also to keep a lookout for enforcement officers during the entire process. A fourth man allegedly involved in the case was also subsequently arrested.

The three men arrested during the operation were sentenced to between 24 to 30 months’ and one week imprisonment for their involvement in activities concerning duty-unpaid cigarettes. Investigations are ongoing for the last man arrested.



The duty-unpaid cigarettes found in the lorry.



The duty-unpaid cigarettes concealed in partition boards.





CASE 2: MAN ARRESTED FOR DEALING WITH AND STORING DUTY-UNPAID CIGARETTES, TOBACCO AND LIQUOR

A male Chinese national was arrested during a Singapore Customs operation at Woodlands Avenue 6 on 20 July 2023. Officers saw him arriving in a motorcycle and placing a bottle containing clear liquid into a plastic bag. Officers checked his motorcycle and uncovered a total of 16 cartons of duty-unpaid cigarettes, one packet of duty-unpaid tobacco and 16 bottles of duty-unpaid liquor.

A follow-up search at his residence uncovered another 14 cartons, 22 packets and four sticks of duty-unpaid cigarettes, 33 packets of duty-unpaid tobacco and 216 bottles of duty-unpaid liquor. The motorcycle, together with the duty-unpaid items, were seized. The duty and GST evaded amounted to about \$39,042 and \$3,480 respectively.

Investigations revealed that the man was allegedly engaged by an unknown person via a social messaging platform in June 2023 to receive a shipment of duty-unpaid cigarettes, tobacco and liquor. He then repacked them for sale to other customers. He was delivering duty-unpaid liquor to a customer when he was arrested. The man was sentenced to five months' imprisonment and a fine of \$222,000 – in default four months four days' imprisonment – for his involvement in activities concerning duty-unpaid items.



The motorcycle and the items seized during the operation.



The duty-unpaid cigarettes, tobacco and liquor found at the man's residence.



SINGAPORE AND THE UNITED KINGDOM NOW ENJOY FASTER CUSTOMS CLEARANCE

Companies certified by the Singapore Customs and His Majesty's Revenue and Customs with robust security practices will have their exports cleared faster with a Mutual Recognition Arrangement (MRA) signed between both customs administrations.

On 23 June 2023, His Majesty's Revenue and Customs and Singapore Customs signed the United Kingdom (UK)-Singapore Mutual Recognition Arrangement (MRA) of Authorised Economic Operator (AEO) programmes in Brussels, Belgium. With this formality accomplished at the sidelines of the World Customs Organisation (WCO) Council meeting, the UK is officially the 11th country or region to which companies under the Singapore Customs' Secure Trade Partnership-Plus (STP-Plus) programme (Singapore's AEO programme) can export goods with less documentation and cargo inspections. Companies under UK's AEO programme will similarly enjoy expedited clearances of their goods brought into Singapore. The AEO-MRA took effect on 1 August 2023.

An MRA allows two or more partner customs administrations to mutually recognise their respective AEO programmes, with companies certified under their respective programmes regarded to be of low risk and accorded with mutually agreed MRA benefits. AEO companies would thus enjoy cost savings due to better predictability of cargo movement. As companies under the STP-Plus programme have higher security measures in place, they will also receive additional facilitation through the MRAs with our partners.

In formalising this latest MRA, Mr Lim Teck Leong, Singapore's Deputy Director-General of Customs, thus encouraged more companies to come onboard the STP-Plus programme and make full use of the benefits offered – including for the UK. "The UK and Singapore have always had enduring and collaborative trade and economic ties. This new UK-Singapore AEO-MRA brings our longstanding cooperation between both customs administrations to the next level where we deepen our unwavering commitment towards facilitating trade by the AEOs," he said.

Ms Megan Shaw, Head of Customs International of His Majesty's Revenue and Customs, added: "This milestone will strengthen the UK and Singapore's strong partnership, and open doors to our traders by promoting efficient customs procedures, facilitating trade between our nations and enhancing end-to-end supply chain security."

Singapore's total trade with the United Kingdom averaged S\$15.4 billion from 2020 to 2022.



Deputy Director-General of Singapore Customs, Mr Lim Teck Leong, and the Head of Customs International of His Majesty's Revenue and Customs, Ms Megan Shaw, signed the United Kingdom-Singapore AEO-MRA on 23 June 2023, at the sidelines of the 141st /142nd WCO Council Sessions.

DID YOU KNOW?

Singapore Customs is the **first** customs administration in South-East Asia to enter into mutual recognition of AEO programmes with other customs administrations. Along with the United Kingdom, we have inked AEO-MRAs with 10 other customs administrations – namely Canada, Republic of Korea, Japan, People's Republic of China, Chinese Taipei, Hong Kong S.A.R, the United States, Australia, Thailand and New Zealand.

Fostering global partnerships and strengthening trade bonds

••• The role of customs administrations takes on paramount significance as trade increasingly transcends borders in our interconnected world. Singapore Customs remains committed towards upholding such global partnerships and trade bonds, by actively participating in international fora and hosting visiting delegations.

141ST/142ND SESSIONS OF WORLD CUSTOMS ORGANISATION COUNCIL, 22 - 24 JUNE 2023 IN BRUSSELS, BELGIUM

Deputy Director-General, Mr Lim Teck Leong, led the Singapore Customs delegation at the 141st/142nd World Customs Organisation (WCO) Council Sessions. The Council convened to assess the progress of the Strategic Plan 2022–2025, an essential roadmap for customs administrations worldwide.

Among the significant outcomes was the endorsement of the Green Customs Plan, emphasising sustainability and environmental responsibility in customs operations. Discussions also revolved around

the Modernisation Plan, highlighting the continuous efforts to adapt to the evolving global trade landscape.

The spirit of international collaboration continued to flourish as the Heads of Delegation of Customs Administrations elected Mr Ian Saunders from the United States as the new WCO Secretary General for a five-year term starting on 1 January 2024. Mr Edward Kieswetter, Commissioner of the South African Revenue Service, was elected as the Council Chairperson for the financial year 2023/2024, cementing a shared commitment to advancing customs administration worldwide.



Over 170 Member Administrations (out of 185) attended the Council Sessions this year. [Photo: WCO Website]

VISIT BY THE UNITED KINGDOM HIS MAJESTY'S REVENUE & CUSTOMS (UK HMRC), 20 JULY 2023

Earlier in July 2023, Singapore Customs welcomed a delegation from the United Kingdom's His Majesty's Revenue & Customs (UK HMRC). Led by Mr Richard Las, the Director of Fraud Investigation Service (FIS) at UK HMRC, the visit saw a mutual exchange of ideas to further strengthen the longstanding cooperation between both administrations. Discussions covered combatting illicit tobacco smuggling and trade-based money laundering, as well as other issues of global concern. Hosted by Mr Lee Tiow Yong, Senior Assistant Director-General (Intelligence and Investigation), the delegation then embarked on a comprehensive tour of our offices at Revenue House and Customs Operations Command.



Singapore Customs and the delegation from UK HMRC.

VISIT BY HONG KONG CUSTOMS AND EXCISE DEPARTMENT, 16 & 17 AUGUST 2023

Further underscoring our commitment towards sharing knowledge and expertise, Singapore Customs hosted a delegation from Hong Kong Customs and Excise Department. Mr Rudy Hui, Assistant Commissioner of the Excise and Strategic Support Branch of Hong Kong Customs and Excise Department, and his team were keen to glean insights from Singapore's experience in establishing our national Trade Single Window and the application of the Singapore Duty-Paid Cigarette ("SDPC") marking.

Beyond meeting rooms, the Hong Kong delegation also went on a site visit to a manufacturing factory, where they observed first-hand the "SDPC" printing process. The knowledge exchange further delved into Singapore Customs' TradeNet and Networked Trade Platform systems, the back-end risk profiling mechanism, and the detailed requirements of the "SDPC" marking.



The Hong Kong Customs and Excise Department delegation visiting a manufacturing factory to observe the printing process of the "SDPC" marking.

NEWS

New STP partner on board

The Secure Trade Partnership (STP) is a Singapore Customs certification programme that encourages companies to adopt robust security measures and contribute towards improving the security of the global supply chain. It is consistent with the World Customs Organisation SAFE Framework of Standards to Secure and Facilitate Global Trade. The following companies were STP-certified in the second quarter of 2023. A company with higher security measures in place will be eligible for STP-Plus.

Companies with STP-Plus certification will receive additional facilitation through the Mutual Recognition Arrangements with our international counterparts such as expedited cargo clearance.

Malca-Amit Singapore Pte Ltd
Global secure logistics and security solutions provider

"Being certified to join the STP program marks a significant milestone for Malca-Amit. This partnership reaffirms our unwavering commitment to security and excellence in the logistics industry. We are excited to collaborate within this esteemed network to further enhance global trade practices, ensuring the utmost protection for our clients' valuable assets. This recognition strengthens our resolve to continue setting new standards in secure trade and supply chain solutions," said Mr. Ariel Kohelet, Managing Director.

Speedmark Logistics Pte Ltd
Integrated logistics & supply chain service provider

"Speedmark is elated to be awarded the prestigious STP certification by Singapore Customs. This validates our commitment to delivering only the best to our valued customers and fuels our drive to continually excel and raise the bar in secure and compliant trade practices," said Mr. Paul Teo, Vice President, South Asia.



Celebrating Singapore's 58th birthday

This year's observance also saw abundant moments of unity, gratitude, and recognition within the Customs family.

On 8 August 2023, Singapore Customs officers came together at the Customs Operations Command to mark Singapore's 58th birthday. For this National Day Observance Ceremony cum Staff Appreciation & Celebration, the theme of "Onward As One" underscored our commitment towards building a shared future with confidence and inclusivity.

Our officers fully embraced the spirit of mutual appreciation and encouragement.

At the Appreciation Message booths, they enthusiastically penned heartfelt "Thank You" messages for fellow colleagues, adding a personal touch to the occasion. There were also screenings of creatively shot video messages, further showcasing the deep bonds and camaraderie within the Customs family.

In line with recognising remarkable contributions beyond regular duties, the Trainer's Recognition Awards were also presented to officers who conducted training that enriched their peers' professional growth and development.



Officers penning their heartfelt "Thank You" messages.

Singapore Customs moves to 100% e-Guarantees from 1 October 2023

With effect from 1 October 2023, e-Guarantees will be **mandatory** for all securities submitted to Singapore Customs. Paper Banker's Guarantees (BGs) will no longer be accepted after that date. This is also in line with the increased and widespread adoption of e-Guarantees since 2020 by both the financial industry and traders.

Guarantees are needed for various purposes, including importation or storage of dutiable goods, and temporary importation of tax suspended goods. However, paper BGs have to be manually vetted and stored, which is a time-consuming and cumbersome process for both applicants and Singapore Customs.

With e-Guarantees, all parties save time and money since all claims and discharge processes are digitalised, and hard copies no longer need to be despatched to Singapore Customs.

Other than reducing discrepancies, electronic transmission from the issuing financial institution (FI) [the source] further eliminates the risk of fraudulent or forged documentation. It improves productivity by reducing the need to vet paper BGs, and to store them securely. Companies will thus no longer have to collect incorrect paper guarantees BGs from Singapore Customs, return it to the issuing Financial Institution (FI), get them reissued and sending them to Singapore Customs all over again. Going digital eliminates these errors and allows companies to proceed with their business once the e-Guarantee is digitally transmitted to Singapore Customs.

Building on Singapore Customs' experience from its eBankers' Guarantee Programme (eBGP), the Ministry of Finance (MOF) launched the [eGuarantee@Gov](https://www.eguarantee.gov.sg)¹ programme in November 2022.

eGuarantee@Gov is a simple and secure digital process for businesses to provide BGs or insurance bonds to government agencies.

Singapore Customs' journey towards mandatory e-Guarantees is made possible thanks to the efforts of FIs and traders to embrace innovation and digitalisation. We look forward to more opportunities to streamline trade procedures and processes for Singapore-based trading entities.

¹ For more information, visit <https://www.eguarantee.gov.sg>.

From eBankers Guarantee Programme (eBGP) to e-Guarantee

Following its introduction in November 2020 by Singapore Customs, the eBankers' Guarantee Programme (eBGP) has since evolved to become the eGuarantee@Gov initiative.

Under the eBGP, the participating Financial Institutions (FIs) would transmit the security directly to Singapore Customs electronically, instead of delivering them in hardcopy format. Lodgement, claims, and discharge of e-Banker's Guarantee (BG) were all handled electronically via a secure and efficient process. Before November 2020, trading entities in Singapore had to make applications to FIs for BG and bring the paper BG physically to Singapore Customs before their applications could be processed.

With the eBGP now subsumed under the whole-of-Government eGuarantee@Gov programme, traders and FIs will continue to use the Networked Trade Platform (NTP) to transmit guarantees to Singapore Customs. With this development, the NTP has become the default service used by all participating FIs and Singapore government agencies for eGuarantees furnished for various regulatory purposes.



Strengthening readiness against security threats: Joint training with US on Nuclear Smuggling Detection and Deterrence

With the opportunity to put officers' understanding of the standard operating procedures (SOPs) into practice, the series of immersive small-scaled simulation exercises enhanced Singapore Customs' preparedness for chemical, biological, radiological, explosive or nuclear (CBREN) scenarios.



Sea Export officers performing radiological assessment.

In partnership with the US Department of Energy (US DOE) and Nuclear Smuggling Detection and Deterrence (NSDD), the Sea Export Section of Singapore Customs' Sea Checkpoints Branch held the Drills Exercise Training in August 2023.

The practical exercises involved scanning a real export container that arrived at the Pasir Panjang Export Inspection Station. Officers were evaluated on the proper use



Group photo of officers and trainers involved in the training.

of the handheld equipment (Riideye-X) and their adherence to safety protocols during radiological assessment. They were also tasked with identifying concealed radioactive check sources on the container chassis, further honing their radiation detection skills.

During the training, officers exchanged best practices for conducting radiological assessments safely and in line with SOPs. After clocking the officers' performance, NSDD and US DOE trainers gave guidance on the appropriate response times that would minimise exposure to the CBREN threats.



Officers exchanging best practices when conducting radiological assessments.

This close collaboration with US DOE and NSDD via the Radiation Detection Initiative is key to deepening Singapore Customs' understanding of CBREN threats. The training sessions conducted by subject matter experts from foreign agencies, comprising former US Customs Officers and Nuclear experts, have also empowered our officers to act promptly and decisively should there be CBREN situations.

TRAINING CALENDAR

With the appointment of Nanyang Polytechnic (NYP) and Republic Polytechnic (RP) to conduct the existing suite of business courses since January 2020, the business courses conducted by Singapore Customs Academy has ceased from January 2020.

For latest course updates and to sign up for the business courses conducted by NYP or RP, please visit the respective polytechnic's website. All courses will be conducted virtually, except for SC111.

SC100

NYP:
6 TO 7 NOV 2023,
4 TO 5 DEC 2023,
8 TO 9 JAN 2024
SC101

8 NOV 2023,
6 DEC 2023,
10 JAN 2024
Same dates for SC102 & SC103

RP:
20 TO 21 NOV 2023
11 TO 12 DEC 2023,
15 TO 16 JAN 2024
SC101

22 NOV 2023,
13 DEC 2023,
17 JAN 2024
Same dates for SC102 & SC103

BASICS OF EVERY DECLARANT

This course provides an overview of customs procedures pertaining to the import and export of goods, the basic requirements for preparing TradeNet declarations, classification of goods, and the rules of origin:

- SC101 Customs Procedures (Two days)
- SC102 Classification and the Harmonised System (half-day)
- SC103 Rules of Origin/Free Trade Agreements (half-day)

Participants may register for individual modules.

OUTREACH PROGRAMME FOR NEWLY-REGISTERED MANUFACTURERS

Conducted by Singapore Customs, this programme is designed to equip newly-registered manufacturers with a better understanding of the rules of origin under Singapore's Free Trade Agreements, the application procedure for certificates of origin, and the compliance requirements.

For enquiries, please email customs_roo@customs.gov.sg.

SC111

NYP:
10 NOV 2023, 8 DEC 2023,
12 JAN 2024

RP:
23 NOV 2023, 14 DEC 2023,
18 JAN 2024

HANDS-ON TRADENET DECLARATION

This one-day workshop provides new declarants with basic information on TradeNet and its various message and declaration types.

The guided practical session uses simulated scenarios to prepare and submit a declaration using the Government Frontend Solution.

SC200

NYP:
9 NOV 2023, 7 DEC 2023,
11 JAN 2024
Same dates for SC201 & SC202

RP:
24 NOV 2023, 15 DEC 2023,
19 JAN 2024
Same dates for SC201 & SC202

STRATEGIC GOODS CONTROL PROGRAMME

This one-day seminar provides an overview of Singapore's strategic goods control system and its regulations, registration procedures and permit requirements for strategic goods transactions, as well as the essentials of an internal (export control) compliance programme.

The seminar comprises two modules:

- SC201 Basics of Strategic Goods Control (half-day)
- SC202 Essentials of Internal (Export Control) Compliance Programme (half-day)

Participants may register for individual modules.