



MEDIA RELEASE

Immediate

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Singapore company, its director and sales manager fined over \$1.1 million for exporting strategic goods without requisite permits

On 19 September 2023, Hydronav Services (Singapore) Pte Ltd (“Hydronav”) was fined \$1,133,412.25 for two counts of exporting strategic goods without the requisite permits, under Section 5 of the Strategic Goods (Control) Act (“SGCA”). In addition, two male Singaporean employees of Hydronav - Poiter Agus Kentjana (“Poiter”), 57, and Wui Ong Chuan (“Wui”), 70 - were also fined for their involvement in the said offences.

2 Poiter, who was Hydronav’s sales manager at the material time, was fined \$35,000 (in default 14 weeks’ imprisonment) for the following charges:

- a) One count of exporting strategic goods without the requisite permits under Section 5 of the SGCA; and
- b) One count of engaging in a conspiracy to cheat under Section 417 read with Section 109 of the Penal Code (one similar charge was taken into consideration for the purpose of sentencing).

3 Wui, who was a director in charge of the company’s import and export operations, was fined \$45,000 (in default 18 weeks’ imprisonment) for the following charges:

- a) One count of exporting strategic goods without the requisite permit under Section 5 of the SGCA (one similar charge was taken into consideration for the purpose of sentencing); and
- b) One count of engaging in a conspiracy to cheat under Section 417 read with Section 109 of the Penal Code (one similar charge was taken into consideration for the purpose of sentencing).

Facts of the Case

4 Singapore Customs commenced investigations into Hydronav based on information received alleging that the company had exported strategic goods from Singapore to Myanmar without a requisite permit.

5 Investigations revealed that Poiter oversaw the sale of a multibeam echosounder system (“EM system”) to an entity in Myanmar. The EM system, procured from a company in Norway, consisted of sub-systems listed as controlled goods under the Strategic Goods (Control) Order (SGCO) 2017. Under the SGCA, the export of such goods from Singapore requires a permit.

6 Hydronav did not obtain the requisite permit to export the EM system, even though both Poiter and Wui were aware that it would be subject to controls under the SGCA.

7 Customs’ investigations also uncovered that Hydronav falsely submitted a statement to the Norwegian authorities stating that the goods were being exported to an entity in Indonesia. In the statement, Poiter fraudulently listed the Indonesian entity as the end-user to deceive the Norwegian authorities into approving the export of the EM system from Norway to Singapore. He did so because two of Hydronav’s applications that listed an entity in Myanmar as the end-user were previously rejected by the Norwegian authorities.

8 Approving Poiter’s scheme of fraudulently listing the entity in Indonesia as the end-user, Wui passed to Poiter the contact of the Indonesian entity’s director – who agreed to the scheme and indicated his entity as the end-user in the end-user

statement. Singapore Customs subsequently referred the case to the Singapore Police Force for investigations into the cheating offences.

9 The cheating charges against Wui and Poiter are for deceiving Kongsberg Maritime Pte Ltd (“Kongsberg”), the company which sold the EM system to Hydronav, into believing that the Indonesian entity would be the end-user for the EM system. Separately, Wui and Poiter also deceived Kongsberg into believing that the EM system was stolen in Indonesia by submitting a false police report lodged in Indonesia.

10 Investigations by Singapore Customs further uncovered that in July 2017, Hydronav had exported an Unmanned Aerial Vehicle (UAV), a controlled good listed under the SGCO 2017, to Myanmar for demonstration and without the requisite permit under the SGCA. While Wui was aware that the UAV was subject to export control by the exporting country when Hydronav purchased it from the overseas supplier, he did not obtain the requisite permit under the SGCA.

11 The values of the UAV exported to Myanmar in July 2017 and the EM system exported to Myanmar in July 2018 were \$19,998.25 and \$2,164,442.00 respectively.

12 Under Section 5 of the SGCA, anyone found guilty of exporting, transshipping or bringing in transit any strategic goods without the requisite permit shall be liable, on a first conviction, to a fine not exceeding \$100,000 or three times the value of the goods or technology in respect of which the offence was committed, whichever is the greater, or to imprisonment for a term not exceeding two years, or to both.

13 Anyone found guilty of an offence of cheating under Section 417 of the Penal Code 1871 shall be punished with imprisonment for a term which may extend to three years, a fine, or both.

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About Singapore Customs

Singapore Customs, a lead agency under the Ministry of Finance, protects revenue and facilitates trade. We make trade easy, fair and secure. We ensure compliance with customs regulations and collect taxes and duties on dutiable and taxable goods. We regulate the export of strategic goods and implement Singapore's commitments to some international trade regulations, such as the United Nations Security Council Sanctions.

We work closely with other government agencies, industry partners, and international organisations in our mission and operations. With the use of data analytics, digitalisation of processes and various technologies, we continuously improve the efficiency and effectiveness of customs processes.

By proactively balancing the intricate requirements of trade facilitation, security and regulatory compliance, Singapore Customs strengthens Singapore's position as a global trade hub trusted by businesses operating in Singapore and foreign trading partners.

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