

IN SYNC

HIGHLIGHTS

Five Times Faster:
New Sea Export
Checks Procedures
Cut Waiting Time

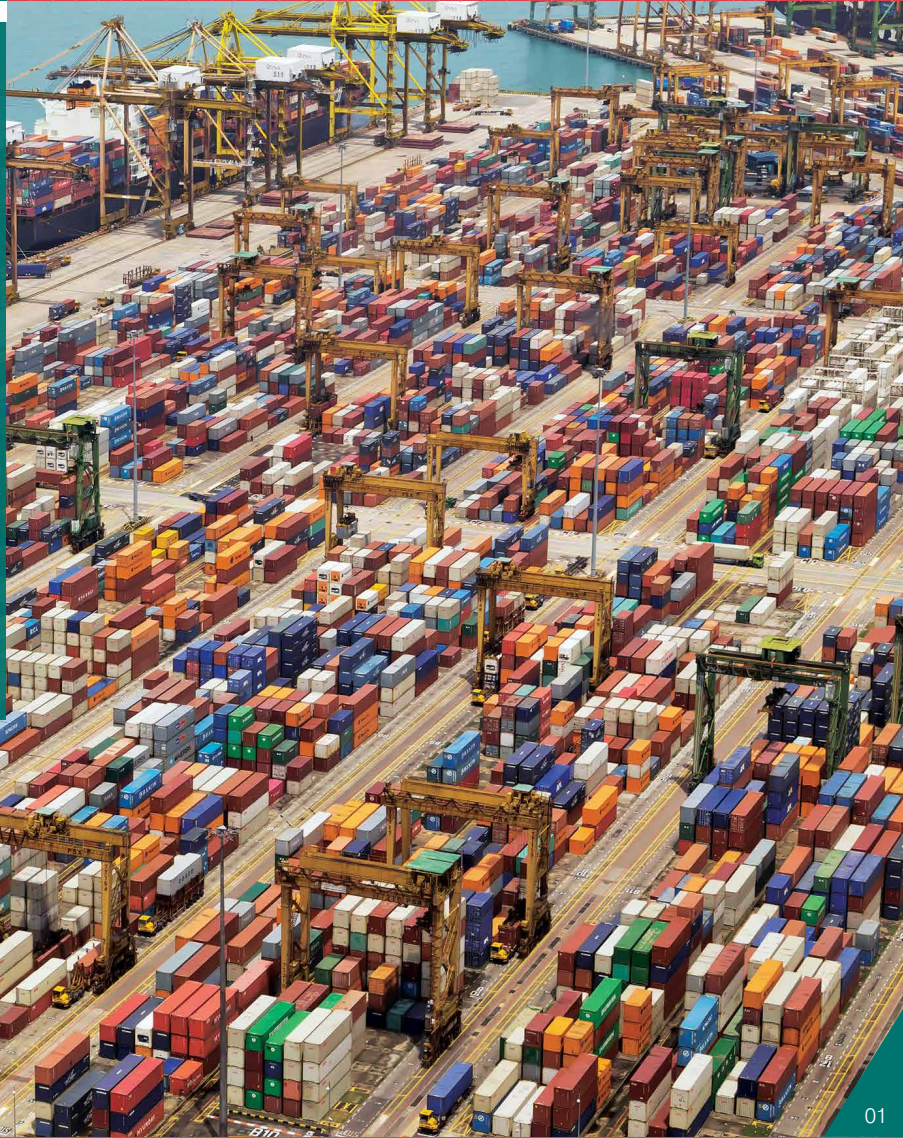
Page 03

Online Handbag Retailers
Fined for Fraudulent
Evasion of GST

Page 08

Gaining Ground in
Service Excellence

Page 10



END OF ADJUSTMENT PERIOD: IMPROVING AED PERFORMANCE

The 18-month adjustment period ended on 30 September 2014, and companies that submit late declarations are liable to penalties. Find out the best practices companies can adopt to improve Advanced Export Declaration (AED) performance.

Page 01

CONTENTS

inSIGHT

FEATURES

- 01** End of Adjustment Period: Improving AED Performance
- 03** Five Times Faster: New Sea Export Checks Procedures Cut Waiting Time
- 04** Keeping Counterfeit Perfumes in Check

UPDATES

- 06** Deepening Knowledge in Targeting and Risk Management
- 07** Sharing Expertise on Global Trade Facilitation
- 08** Online Handbag Retailers Fined for Fraudulent Evasion of GST
- 09** Malaysian Trio Jailed for Attempting to Smuggle Contraband Cigarettes into Singapore

INSIDE CUSTOMS

- 10** Gaining Ground in Service Excellence
- 12** Customs Senior Trainer's Paper Entered into WCO's Best Practices
- 13** Training Calendar

Keeping Trade Easy Yet Secure

Trade facilitation and trade security are two sides of the same coin, and this careful balancing act is the crux of what we do at Singapore Customs.

One of the major initiatives to help maintain this balance is the Advance Export Declaration (AED) requirement implemented on 1 April 2013. AED allows us to obtain advanced information from traders to facilitate legitimate and secured trade more effectively.

The 18-month adjustment period, introduced to help companies transition, ended on 30 September 2014. In this issue of inSYNC, we bring you a guide of best practices that your company can adopt to improve AED performance. Get the guide on page 02.

Taking another step forward in our efforts to facilitate trade, the Sea Checkpoints Branch has revised one of their procedures in sea export checks. Without the need for surveyors to be present, secondary checks on cargo can now be conducted up to five times faster. Read page 03 for more details.

In the area of global trade facilitation, Deputy Director-General (Compliance and Facilitation) Lim Teck Leong shared Singapore Customs' role with an audience of industry stakeholders at the 2nd Logistics & Transportation Conference 2014. Find out more on page 07.

Wrapping up the third quarter of this year, we held our annual Customs Exchange, where updates on our Service Excellence Framework were shared by Director-General Ho Chee Pong. Turn to page 10 to see how that will help to improve your experience with Singapore Customs.

Neo Wen Tong
Editor

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Please let us know what you think of inSYNC. We welcome your ideas on what you would like to see and how we can do better. Write in to the Editor at customs_media@customs.gov.sg

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End of Adjustment Period: Improving AED Performance

The 18-month adjustment period ended on 30 September 2014, and companies that submit late declarations are liable to penalties. Find out the best practices companies can adopt to improve Advanced Export Declaration (AED) performance.

The AED requirement was implemented on 1 April 2013. AED requires all declarations to be submitted before the goods are exported, including non-controlled and non-dutiable goods exported by sea and air.

In order to facilitate companies' fine-tuning of operations and processes to better comply with AED, an 18-month adjustment period was introduced.

Over this period, timely updates were made on the Singapore Customs website and reminder notices were sent to traders to help companies comply with AED. Outreach sessions have also been organised to elaborate on the implementation of AED, and to clarify questions raised by industry players.

It is encouraging to see that there have been general improvements in compliance rates since the implementation of AED.

All companies are required to submit the AED as soon as possible before export, so that any checking of cargoes can be conducted with as little disruption to trade flow as possible.

Companies are reminded that as the adjustment period has ended, those submitting late declarations are liable to penalties. A set of best practices, which companies are encouraged to adopt to improve their AED performance, can be found on page 02.

For more information, visit the Singapore Customs website.

BEST PRACTICES TO IMPROVE COMPANIES' AED PERFORMANCE



Self-generate the "Permit Listing" report via TradeNet



Work with declaring agents to develop a tracking mechanism (e.g. monthly reports) for regular performance review



CO fields can be amended via TradeNet during the two working days, before the COs are printed on the third working day



Useful for shipments where certain information (e.g. ship-on-board date) are not finalised at the time of declaration



Self-monitor the company's AED performance



Utilise deferred printing option for AED with Certificate-of-Origin (CO)



How can my company improve AED performance?



Refine processes and/or systems, and work jointly with relevant parties to meet AED requirements



Enhance the Customs declaration process through electronic data interchange (EDI) link-up to enable seamless data flow between exporters and declaring agents for better efficiency



Establish standard operating procedures with declaring agents/forwarders on export procedures to ensure AED compliance



Agree on a timeline for the provision of documents/data for declarations



Obtain proof of export (e.g. export permits) prior to the release of cargo for ex-works shipment to have sight of the declarations

Five Times Faster: New Sea Export Checks Procedures Cut Waiting Time

Time savings allow containers to better meet vessel loading and lower the risk of missing shipping times.

The Export Inspection Station (EIS) at Pasir Panjang started operations on 1 April 2013 to identify and target high-risk export containers for x-ray scanning and inspection.

Cleared containers are released back to the ports for loading onto the outgoing vessels.

However, if anomalies are detected, these containers will be detained for a secondary inspection. Officers will obtain additional documentation from the exporter(s), and open the container for a physical check.

Singapore Customs held discussions with the Singapore Shipping Association to gather feedback on these procedures, such as allowing exporters to engage independent surveyors to witness these export checks.

When operations and inspections at EIS started, the foreseen drawbacks of these export check procedures became significant. Secondary inspection times were long – surveyors had to be available and time was spent waiting for them to arrive.

The situation was amplified during non-office hours, increasing the potential risk of containers missing their vessel loading and shipping altogether.

Delays in container shipment may lead to significant consequences for exporters – time wasted, money lost, reputation and operations affected, and stressed caused.

NEW PROCEDURES = TIME AND COST SAVINGS

To expedite the inspection process, new measures include the option to authorise the prime mover driver to witness the inspection, and issuing an inspection notification form to the driver. Singapore Customs also implemented unique Customs ISO 17712 compliant High Security bolt seals to reseal the container after inspection.



The Export Inspection Station (EIS) at Pasir Panjang started operations on 1 April 2013 to identify and target high-risk export containers for x-ray scanning and inspection.



Trained sea export officers analyse x-ray images and documentation to detect any anomalies in the cargo.



Singapore Customs implemented unique Customs ISO 17712 compliant high security bolt seals to reseal the container after inspection.

With the new procedures in place, inspection times for export checks were cut down to approximately 35 minutes, one-fifth of the time needed compared to 180 minutes previously when surveyors had to make their way down to the EIS.

The shorter inspection time has led to a string of positives.

With quicker clearance, containers face a much lower risk of missing their vessel loading and shipments, avoiding the potential thousands of dollars incurred for re-exporting containers aboard new vessels.

Exporters also do not need to spend time, effort, and money in engaging surveyors and purchasing new shipper seals.

Prime mover drivers can complete their jobs faster, with minimal disruptions to their schedules. Port operators like PSA face fewer operational disruptions to their vessel loading schedules.

As a trade facilitator, Singapore Customs also benefits from a more efficient workflow, allowing room for growth in further enhancing export control functions.

Keeping Counterfeit Perfumes in Check

Singapore Customs participates in the Asia-Pacific Economic Cooperation (APEC) voluntary enforcement operation that battles intellectual property rights (IPR) infringement.

Singapore continues to cooperate with regional counterparts and other countries to enforce against counterfeit products.

One such item is perfume. Counterfeit perfumes cut into revenues of IPR right-holders, pose health and safety risks, and can impinge on the reputation and consumer perception of trademarks.

Singapore took part in the enforcement operations against counterfeit pharmaceuticals in 2011, and against counterfeit electronics in 2013. These operations were conducted under the APEC Sub-Committee on Customs Procedures.

In 2013, APEC customs administrations decided to have a third enforcement operation – this time focusing on counterfeit perfumes.

Under this operation, each participating APEC customs agency could conduct the enforcement operation at International Mail Facilities, Express Consignment Facilities, or ports.

Singapore participated in this operation from 5 to 16 May 2014 for the ports, physically checking the targeted containers suspected to have counterfeit perfumes.

While no IPR-infringing goods were detected during the operation, Singapore Customs detected an offence on the wrongful description of the items – 200 branded handbags were wrongly declared as perfumes. The bags were subsequently detained at the importer’s premises. After investigation and verification, the suspect bags were confirmed to be genuine.

Singapore Customs is an active participant of international IPR mutual enforcement operations, and believes that the enforcement against counterfeit goods is the responsibility of all players in the global supply chain. Singapore authorities adopt a whole-of-government approach towards IPR enforcement. Agencies such as Singapore Customs and the Singapore Police Force work closely to protect the borders and domestic market against counterfeit goods.



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Deepening Knowledge in Targeting and Risk Management

US Customs and Border Protection (CBP) experts conducted a three-day Targeting and Risk Management Workshop for Singapore Customs officers.

The workshop, which took place at the Singapore Customs Academy from 5 to 7 August 2014, was also extended to officers from the Ministry of Home Affairs and Immigration & Checkpoints Authority (ICA).

A lead trainer and two trainers from different United States field offices provided insights to CBP's risk assessment methodology, data analytics, targeting protocols, and performance measurements. It was an interactive session, with the 26 participants involved in case study discussions.

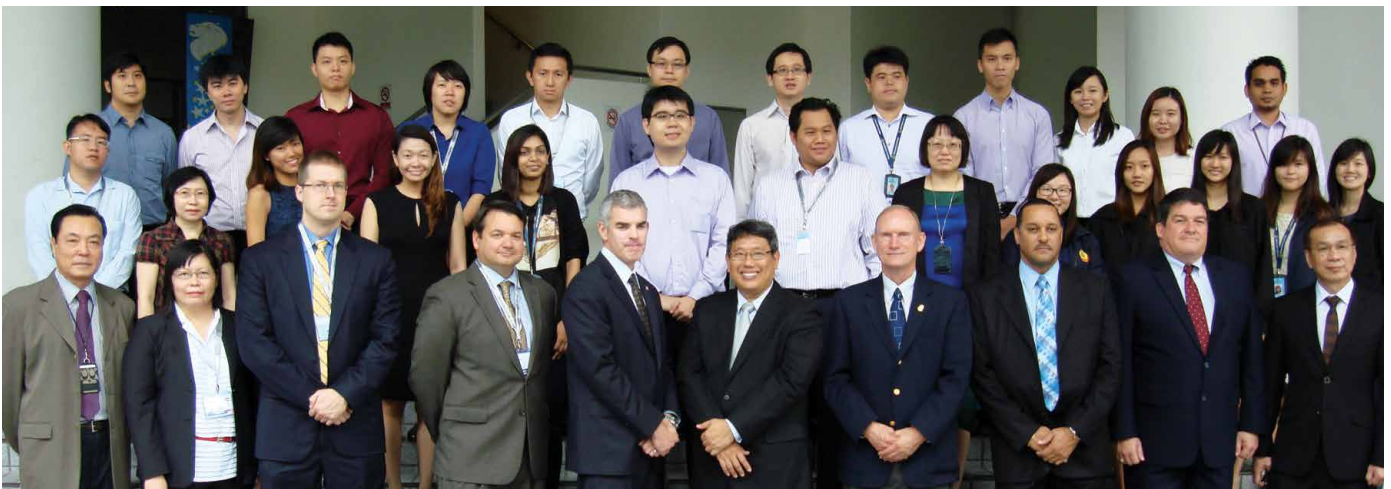
Senior Risk Assessment Officer Ng Mingjie, a workshop participant, said: "This has allowed me to look at cargo targeting from different risk angles and also explore potential system improvements to our current targeting systems."

Knowledge exchange also took place, with representatives from Singapore Customs and ICA giving presentations on how the respective agencies manage targeting and risk management methodologies.

US CBP Attaché to the US Embassy in Singapore John Leonard and Singapore Customs Chief Human Resource Officer Mok Hei Chee were present for the first day of the workshop.



Participants learnt about risk assessment methodology, data analytics, targeting protocols, and performance measurements.



Officers from Singapore Customs, Ministry of Home Affairs and Immigration & Checkpoints Authority attended the workshop led by trainers from United States field offices.

Sharing Expertise on Global Trade Facilitation

Deputy Director-General (Compliance and Facilitation) and Senior Assistant Director-General (Trade) of Singapore Customs Lim Teck Leong was invited to speak at the 2nd Logistics & Transportation Conference 2014, organised by the Container Depot Association (Singapore).



Mr Lim spoke about the role Singapore Customs plays in global trade facilitation.

Focusing on global trade facilitation, Mr Lim shared how Singapore Customs is adapting to the challenges of the 21st century, and taking on a transformational role from gatekeeper to trade-enabler.

He also spoke about how the agency facilitates trade through constant improvement to help businesses reduce costs, enhance efficiency and grow. The need for continued Customs-business partnerships is another important aspect, where traders are engaged to help ensure smooth flow of trade, Mr Lim added.

A lively question-and-answer session wrapped up the sharing, with Mr Lim fielding queries about change management and Advanced Export Declaration.

The biennial conference, held from 26 to 28 August 2014 at Resorts World Sentosa, was attended by stakeholders in the container trade, logistics, transportation services, shipping, and supply chain communities. The event was officiated by Senior Minister of State for Trade and Industry Lee Yi Shyan.



The biennial conference was attended by stakeholders in the container trade, logistics, transportation services, shipping, and supply chain communities.

Online Handbag Retailers Fined for Fraudulent Evasion of GST

Three online retailers of branded handbags and accessories were sentenced by the State Courts on 25 September 2014 for fraudulent evasion of Goods and Services Tax (GST).



Long Siew Fong, 42; Jessie Sng Lee Ling, 41; and Yak Sow Pin, 39; were fined \$31,000, \$10,000, and \$4,500 respectively.

Investigations by Singapore Customs revealed that:

- Between October 2010 and June 2011, Long imported 2,172 handbags and accessories via 15 import permits. The under-declaration of values of these goods resulted in a shortfall of \$9,399.58 in GST payment. She pleaded guilty to five charges, and 10 other charges were taken into consideration in the sentencing.
- Between January 2011 and August 2012, Sng imported 269 handbags and accessories via five import permits. The under-declaration of values of these goods resulted in a shortfall of \$1,216.47 in GST payment. She pleaded guilty to two charges, and three other charges were taken into consideration in the sentencing.
- In January 2011, Yak imported 90 branded handbags via two import permits. The under-declaration of values of these goods resulted in a shortfall of \$502.93 in GST payment. He pleaded guilty to one charge, with another charge taken into consideration in the sentencing.

“Fraudulent evasion of GST on the importation of goods is a serious offence under the Customs Act,” said Mr Wan Boon Oon, Head of Trade Investigation Branch, Singapore Customs. “Anyone found guilty will be liable to a fine up to 20 times the amount of tax evaded and/ or be jailed for up to two years. Singapore Customs will continue to remain vigilant, to seek out online retailers who attempt to evade GST by under-declaring the values of their imported goods and bring them to justice.”

Malaysian Trio Jailed for Attempting to Smuggle Contraband Cigarettes into Singapore

The 298 cartons and 210 packets of contraband cigarettes, hidden in modified compartments of the car, were worth more than \$34,000. Duty and tax evaded exceeded \$27,100.

A Malaysian man who attempted to drive into Singapore with contraband cigarettes hidden in his car was sentenced by the court on 19 August 2014 to seven months' jail. Both his female passengers, who were also involved in the smuggling attempt, were each sentenced to six months' jail.

The trio was arrested on 15 August 2014 by Singapore Customs officers. A total of 298 cartons and 210 packets of contraband cigarettes worth more than \$34,000 were seized. The duty and Goods and Services Tax (GST) evaded exceeded \$27,100. A Malaysian-registered car was also seized.

Ching Siong Huat, 47, along with passengers Joo Mei Suan, 43, and her daughter Ler Kia Ling, 18, were driving through the Woodlands Checkpoint to enter Singapore on 15 August 2014 when they were stopped for checks by Immigration & Checkpoints Authority (ICA) officers. After a search, the ICA officers found 298 cartons and 210 packets of contraband cigarettes hidden in various modified compartments of the car. The trio was immediately detained and subsequently arrested by Singapore Customs officers.



Duty-unpaid cigarettes were found hidden in various modified compartments of the Malaysian-registered car on 15 August 2014.



A total of 298 cartons and 210 packets of duty-unpaid cigarettes were recovered from the car.

Investigations revealed that Ching was engaged to drive the car loaded with contraband cigarettes into Singapore. He recruited Joo and Ler to act as “passengers” as he assumed this would minimise suspicion and avoid detection by ICA officers.

In the first seven months of this year, Singapore Customs seized 134 vehicles that were used to smuggle contraband cigarettes into Singapore. In comparison, last year 146 vehicles were seized.

Said Mr David Foo, Head of Special Investigation Branch: “Singapore Customs takes a serious view of cross-border smuggling of contraband cigarettes. We will continue to clamp down on such illegal activities and bring the offenders to justice. Those who are caught smuggling contraband cigarettes will be arrested and their vehicles will be seized.”



Singapore Customs officers seized the Malaysian-registered car (above) that was used to smuggle duty-unpaid cigarettes into Singapore at Woodlands Checkpoint.



Buying, selling, conveying, delivering, storing, keeping, having in possession or dealing with duty-unpaid goods are serious offences under the Customs Act and the GST Act. Offenders will be severely dealt with. They can be fined up to 40 times the amount of duty and GST evaded and/or jailed for up to six years.

The minimum court fine for first-time and repeat offenders of tobacco-related offences are \$2,000 and \$4,000 respectively. Repeat offenders who are caught with more than two kilogrammes of tobacco products will also face mandatory imprisonment. Vehicles used in the commission of such offences are also liable to be forfeited.

Members of the public with information on smuggling activities or evasion of customs duty or GST can contact the Singapore Customs hotline on 1800-2330000 or email customs_intelligence@customs.gov.sg.



Gaining Ground in Service Excellence

Another dimension will be introduced to Singapore Customs' service delivery mechanism for a more holistic experience.

CONTINUED SUCCESS IN SERVICE EXCELLENCE

Singapore Customs has made good progress in the area of service excellence, said Director-General Ho Chee Pong in his opening address at the annual Customs Exchange.

Mr Ho also shared that in the 2012/2013 Traders' and Travellers' Satisfaction Surveys, more than 95 per cent of traders and travellers agreed that they received above-average service from Singapore Customs, with more than 75 per cent of those indicating they received excellent service.

Singapore Customs was also ranked second among 26 agencies in the 2012 Pro-Enterprise Ranking.

DESIRED CUSTOMS EXPERIENCE

While success is celebrated, Mr Ho said that continuous improvements should still be made to seek breakthroughs in service.

"To this end, we will be introducing another dimension to the service delivery mechanism – going beyond customer satisfaction to the holistic experience we want our customers to have in their interactions with Singapore Customs," he said.

This year's event, which was held over two half-day sessions at the NTUC Centre auditorium on 4 and 16 September 2014, saw the launch of the new Desired Customs Experience, and the revised Service Excellence Framework by Singapore Customs' Customer Committee.

Mr Ho shared that the new Desired Customs Experience builds in customer experience as one of the cornerstones of Singapore Customs' service delivery mechanism.

It comprises the emotions that should be evoked in customers in order to create a positive experience to "wow" customers. The Desired Customs Experience also spells out the service behaviours to bring about these desired emotions.

In deriving the Desired Customs Experience, customers' responses were gathered from the Traders' and Travellers' Satisfaction Surveys then studied and analysed. The analysis revealed that the "wow" experience could be best created by making customers feel respected, valued, and cared for. Enabling customers to have a hassle-free experience and allowing them to feel that they have been treated fairly also contributed to the experience.

"The Desired Customs Experience is the holistic experience that we want our customers to have whenever they interact with us," Mr Ho said.

The new Service Excellence Framework aims to know customers, understand them, and wow them, through various methods like refining listening and learning channels, instilling a partnering mind set in staff, customising facilitation and service offerings, and empowering staff to go the extra mile.



Singapore Customs staff attended the annual Customs Exchange and were given an update on the revised Service Excellence Framework.



Mr Ho announced that Singapore Customs will be introducing another dimension to the service delivery mechanism – going beyond customer satisfaction to the holistic experience customers will have in their interactions with Singapore Customs.

Singapore Customs has a commitment to Quality Service. Our Quality Policy is "Your Satisfaction, Our Pride". We are committed to provide excellent service, and our pride resides in our customers' satisfaction.

To find out more about our Quality Policy, visit the Singapore Customs website.

Customs Senior Trainer's Paper Entered into WCO's Best Practices

Mr Desmond Chia submitted the paper titled 'Legal and Regulatory Aspects of Single Window Implementation – Sharing Singapore's Experience' to the World Customs Organisation (WCO).

In a letter addressed to Singapore Customs Director-General Ho Chee Pong, WCO's Director of Compliance and Facilitation Directorate Zhu Gaozhang said that the organisation will include this paper in their repository of best practices.

Mr Zhu added that WCO considered the paper "very helpful and useful to members" in the implementation of the World Trade Organisation Trade Facilitation Agreement. WCO is supporting the Agreement by providing guidance on how to implement it.

Mr Chia's paper explained the importance of addressing legal and regulatory aspects when designing a national single window system.

For example, one of the issues the paper covered was how the Customs Act was amended to include a provision on Computer Service. This new section empowered the Director-General of Singapore Customs to establish and operate a computer service, which led to what we know as TradeNet today. The section also made provision for any notice, declaration, permit, or other document authorised by the Customs Act to be submitted electronically.

According to Mr Zhu, Mr Chia's paper will be used in WCO Guides like the 'Single Window Compendium'.



Mr Chia's paper was included in the World Customs Organisation repository of best practices, and will be used in guides on single windows.

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Mr Desmond Chia is a WCO accredited Customs Technical and Operational Advisor in the area of the Single Window, and ACTA (Advanced Certificate in Technical Training and Assessment) certified full-time trainer with the Singapore Customs Academy.

Mr Chia has been with Singapore Customs for more than 15 years and has assumed various key roles in the areas of Customs Procedures, Single Window, Valuation, and Trade Facilitations before being posted to the Academy. He currently conducts regular training sessions for Customs officers, business communities, and students from higher education institutions.

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TRAINING CALENDAR

Please note that dates are subject to change. For full programme and registration details, please refer to www.customsacademy.gov.sg

PROGRAMME

DATES

SC100 BASICS OF EVERY DECLARANT

This three-day course provides trade declarants with 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.

The course comprises three modules:

- SC101 Customs Procedures (2 days)
- SC102 Classification and the Harmonised System (half-day)
- SC103 Rules of Origin / Free Trade Agreements (half-day)

Participants may register for individual modules.

3-5 November 2014
1-3 December 2014

SC200 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.

4 December 2014

SC400 CUSTOMS COMPETENCY TEST FOR DECLARANTS

This module is designed to test an individual's knowledge of the customs procedures and documentation requirements. Upon passing this test, the individual can then apply for registration with Singapore Customs as a declarant to submit TradeNet permit declarations.

This is an open-book test comprising 50 multiple-choice questions. The topics tested include: customs procedures, TradeNet declarations, valuation, classification, rules of origin and specialised procedures. The one-hour test can be taken during the AM or PM session.

Individuals who wish to sit for the test are advised to familiarise themselves with above-listed subject areas. They can do so through courses or eLearning at Singapore Customs Academy, the Customs Virtual Academy and by visiting the Customs website.

18 November 2014
21 November 2014
16 December 2014
19 December 2014
(AM and PM sessions available)

OUTREACH PROGRAMME FOR NEWLY-REGISTERED TRADERS

This quarterly programme is designed to equip new traders with a better understanding of customs documentation procedures, as well as the various customs schemes and services available. For enquiries, please email customs_documentation@customs.gov.sg

29 December 2014

OUTREACH PROGRAMME FOR NEWLY-REGISTERED MANUFACTURERS

This bimonthly 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 procedures for certificates of origin, and the compliance requirements. For enquiries, please email customs_roo@customs.gov.sg

13 November 2014

TRADERS CLINIC

These one-to-one consultation sessions are an avenue for traders to seek general advice on general customs procedures and services. If you are interested, write in to customs_documentation@customs.gov.sg to set up a date. Sessions are subject to availability.



SINGAPORE CUSTOMS

We Make Trade Easy, Fair & Secure

55 Newton Road #10-01 Revenue House Singapore 307987
www.customs.gov.sg