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SINGAPORE JEWELLERS ASSOCIATION

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Enterprise Singapore, Singapore Customs and Singapore Jewellers Association launch a new digital service on the Networked Trade Platform to ease processing for traders using the Hand-Carried Exports Scheme

In a joint collaboration between Enterprise Singapore, Singapore Customs and Singapore Jewellers Association, a new digital service on Networked Trade Platform (NTP) was unveiled at the Singapore Jewellery & Gem Fair 2018 today. The new service offers an end-to-end digitalised process for traders using the Hand-Carried Exports Scheme (HCES), eliminating the need for paper-based permit endorsement and enabling a more efficient transaction. For a start, Singapore jewellery traders will be the first to adopt this service. The initiative is one of the strategies under the Wholesale Trade Industry Transformation Map launched in 2017 to help more trading companies harness digital technology and to reinforce Singapore's status as a global trading hub in the shift towards digital trade.

Strong growth in global jewellery trading

Singapore's Wholesale Trade Industry continues to grow strongly as Asia's rising population, urbanisation and consumerism¹ drive trade flows to meet the region's increased demand for food, infrastructure materials, fuel, electronics, and more. In 2017, the sector contributed S\$65.6 billion (15.7%) to the nation's gross domestic product (GDP)².

In particular, jewellery trade in Singapore has grown from USD 1.22 billion in 2001 to USD 8.63 billion in 2016. The healthy increase is owing to stable gold prices and sustained global demand, and a strong growth in our key demand markets like India, China, Vietnam and Turkey. This offers

¹ The United Nations projects that the population in Southeast Asia—the world's third largest growth region behind China and India—will grow from 616 million in 2013 to 760 million in 2040, an increase of almost 25%.

² Source: Department of Statistics

exciting opportunities for Singapore jewellers, who could benefit from more efficient processes for global trading.

New service to digitalise the process of the Hand-Carried Export Scheme (HCES)

Since 1 April 2009, the Inland Revenue Authority of Singapore (IRAS) has allowed traders to zero-rate their supplies of goods hand-carried out of Singapore to their overseas customers via the Changi Airport, subject to documentation requirements under the HCES. The HCES benefits traders under the scheme as Goods and Services Tax (GST) need not be charged on goods brought out of Singapore.

Jewellers have provided feedback that the current process for HCES requires paper documents endorsed by Customs officers at the Changi Airport to be sent back by the person bringing the goods out of Singapore after the goods have left the country. This can be a challenging and inefficient process for the various stakeholders.

Enterprise Singapore and Singapore Customs, together with the Singapore Jewellers Association have worked together to design a new service on the NTP to digitalise the process for HCES documents. The NTP is a national trade information management platform that provides the foundation for Singapore to be the world's leading trade, supply chain and trade financing hub. There are many services available on the NTP targeting different parts of the trade value chains across multiple sectors.

With this new service, traders can receive a digitised endorsement by Customs Officers via the NTP instead of waiting for the physically endorsed documents to be sent back to them, making the entire process more seamless and efficient. With the paperwork reduced and their competitiveness enhanced, Singapore-based jewellery traders can channel their efforts in internationalisation, expanding their trade with overseas buyers through Singapore. The digitalisation of the documents also increases the transparency and traceability, reinforcing Singapore's reputation as a trusted hub for jewellery trade.

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