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as One to Support
National COVID-19 Efforts



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Digitalising the Hand-Carried Exports Scheme for quicker and more efficient transactions



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EDITORS' NOTE

The second quarter of the year has been an unprecedented one, as Singapore went into a two-month long circuit breaker from 7 April to 1 June 2020, to stem the spread of COVID-19.

As companies in Singapore made adjustments to scale back or even halt their operations during this circuit breaker period, Singapore Customs remained in operation. A group of our officers had even stepped forth to participate in the national efforts in combating the COVID-19 outbreak. Read more on pages 1 and 2.

Amidst these challenging times, Singapore Customs continues to work closely with our local enforcement agencies and international counterparts to keep up our enforcement actions against different types of illicit trade. Find out about our recent collaboration with our counterparts from the United Kingdom to combat illicit cigarette smuggling, on page 3, as well as the highlights of our local enforcement efforts on page 4.

On the trade front, the digitalisation of the Hand-Carried Exports Scheme (HCES) has received positive feedback from stakeholders since its introduction in 2018. The digital HCES service eliminates the need for paper-based export permit endorsement, and enables a faster and more efficient transaction (page 5).

Finally, in this issue of inSYNC, we share the findings from the latest Traders' Satisfaction Survey. While we are pleased that we received an overall satisfaction mean score of 4.98 out of 6, a slight increase from 4.94 in 2017, we will continue to look at areas to further improve traders' experience with us (page 7).

TAN XIAN LIN AND ISABEL CHIA
Editors



SPOTLIGHT

COMING TOGETHER AS ONE TO SUPPORT NATIONAL COVID-19 EFFORTS

Customs officers contributing to national efforts

More than 180 Singapore Customs officers stepped forth during Singapore's circuit breaker period to contribute to national efforts in combating the COVID-19 outbreak.

From promoting hygiene habits and ensuring compliance with safe distancing measures as SG Clean Ambassadors and Safe Distancing Enforcement Officers, to helping Singaporeans encash their Solidarity Payment cheques as Solidarity Payment Volunteers, our officers put in long hours and braved the warm weather to play a part in the nation's fight against COVID-19.

Working in teams, SG Clean Ambassadors were stationed island-wide to ensure members of the public comply with safe distancing measures in the wet markets and hawker centres. Despite the challenges faced, such as handling difficult patrons who refused to comply when being advised to do so, our officers felt it was a meaningful experience to be at the frontline fighting the spread of the virus.

While SG Clean Ambassadors focused on public engagement and education, Safe Distancing Enforcement Officers ensured that members of the public adhered to the safe distancing measures. Our officers noted that they had to exercise discretion, as some members of the public were not kept up-to-date on the news, and had unintentionally breached the safe distancing measures.

Our officers also helped to man the helpline for the Jobs Support Scheme, while a couple volunteered to be seconded to the Ministry of Health (MOH), where they were involved in contact tracing and quarantine operations. A key challenge which the officers seconded to MOH faced was in meeting timelines for the multitude of tasks as the team raced against time every day.

Some of our officers even went beyond and helped out at the migrant worker dormitories, where they set up medical facilities and triage clinics, ensuring that the dormitories' conditions were satisfactory and clean, enforcing safe distancing measures, and re-locating healthy workers to other facilities to minimise cross-infection.

See our officers in action below:



SG Clean Ambassador explaining to a member of the public on safe distancing measures.



Officers manning the hotline for the Jobs Support Scheme.



Safe Distancing Enforcement Officer ensuring that wet market stallholders and patrons adhered to safe distancing measures.



Solidarity Payment Volunteers helping Singaporeans to encash their Solidarity Payment cheques at Community Clubs island-wide.



Officer conducting swab test at a migrant worker dormitory.

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Customs remained in operation despite circuit breaker

While some of our officers contributed to national efforts to fight COVID-19, the rest of our Customs officers continued to fulfil their roles and responsibilities as part of providing essential services to the public and businesses, whether they were working from home or on split team arrangement. This was made possible by Singapore Customs' efforts in the digitalisation of work processes, and initiatives under the Customs Transformation Plan.

Officers who worked from home made use of tele or video conferencing for meetings and staff interviews, while those who performed essential functions and had to report to office practised safe distancing measures such as temperature monitoring and wearing face shields and masks.

Meanwhile, there was no let-down in terms of enforcement operations. Despite the circuit breaker period, our officers continued to keep vigilance, and conducted several operations which led to the successful arrest of persons involved in the smuggling of duty-unpaid cigarettes.

Singapore Customs' Director-General Ho Chee Pong and the International Relations team holding a video conference with the Comptroller and officials from the New Zealand Customs Service.



Checkpoints officers performing essential services.



Enforcement officers retrieving duty-unpaid cigarettes from an operation.



As Singapore transits to a gradual re-opening of the economy after the circuit breaker ended on 1 June 2020, Singapore Customs will continue with all safe distancing measures, and make adjustments without compromising on core work areas.

Collaborating with international counterparts to combat illicit cigarette smuggling

- Singapore Customs works closely with local enforcement agencies and international counterparts to enforce against different types of illicit trade, and to protect the integrity of Singapore as a trading hub by strengthening the security and resiliency of the global supply chain.

Between January and March 2020, our close cooperation with our counterparts from the United Kingdom, Her Majesty's Revenue and Customs (HMRC), led to two seizures amounting to 19.3 million cigarettes in total and the arrest of five men for smuggling contraband cigarettes into the United Kingdom. The total revenue evaded amounted to over £7m. Read more about the cases below:

CASE 1: OVER 10 MILLION CONTRABAND CIGARETTES AND 107 PALLETS OF DUTY-UNPAID ALCOHOL SEIZED

Singapore Customs had shared information with HMRC on the suspicious movements of a container of goods passing through Singapore. The goods were declared as cigarettes when exported from Singapore, but were falsely declared during importation into the United Kingdom.

With the information from Singapore Customs, in February 2020, HMRC successfully seized over 10 million contraband cigarettes, arresting five men as they unloaded the cigarettes from the suspected container. HMRC also seized one hundred and seven pallets of duty-unpaid alcohol, which were being stored in the premises raided.

CASE 2: NINE MILLION CONTRABAND CIGARETTES SEIZED

Following an alert provided by Singapore Customs, HMRC seized nine million contraband cigarettes in a suspected £3.6m tax fraud in March 2020. The cigarettes had passed through Singapore, en route to the United Kingdom. These cigarettes have been linked to Case 1 through a number of common factors and were seized at the port on arrival in the United Kingdom. The detection was a direct result of ongoing cooperation among Singapore Customs, HMRC, and other international customs administrations.



Cigarettes seized by HMRC (Photo: HMRC).



Cigarettes seized by HMRC (Photo: HMRC).



Alcohol seized by HMRC (Photo: HMRC).

Acting Director of HMRC Fraud Investigation Service, Mr Richard Las, said, "Smuggling groups cooperate across the world, and it is therefore crucial that we continue to receive the excellent cooperation and assistance such as those provided by Singapore Customs in this case, if we are to combat them."

"As a direct result of the sharing of intelligence relating to the movement of cigarettes passing through the port of Singapore, we have identified and targeted an organised crime group operating within the United Kingdom, seized cigarettes and made arrests. This would not have been possible without Singapore Customs' valuable assistance."

Case files: Enforcement Highlights

• Singapore Customs conducts regular operations to combat against illicit duty-unpaid cigarettes activities. In the first quarter of 2020, 36 operations were conducted, with 43 offenders arrested, and over 185,000 packets of duty-unpaid cigarettes seized.

Read more about two such operations below:

CASE 1: 2,000 CARTONS OF DUTY-UNPAID CIGARETTES SEIZED

On 13 February 2020, Singapore Customs officers mounted an operation at a multi-storey carpark near Tampines North Drive 1. Officers saw a van entering the carpark and parked next to a car. Three men alighted from the van and stood in between the vehicles.

Suspecting that the men were involved in duty-unpaid cigarette activities, officers conducted a check on the men and vehicles. Three Singaporean men were arrested, and 2,000 cartons of duty-unpaid cigarettes were seized.

One of the men arrested was sentenced by the State Courts on 27 March 2020 to undergo reformatory training for a minimum of 12 months' detention in a reformatory training centre for being involved in the delivery of duty-unpaid cigarettes. Court proceedings against the other two men are ongoing.



Duty-unpaid cigarettes stored in car.



Duty-unpaid cigarettes being loaded from the car to the van.

CASE 2: MORE THAN 1,400 CARTONS OF DUTY-UNPAID CIGARETTES SEIZED

On 12 March 2020, Singapore Customs officers mounted an operation at a multi-storey carpark near Jurong West Street 42. A man was observed to be transferring bags and boxes from a van to a car. Singapore Customs officers moved in to conduct a check. A total of 1,408 cartons and 1,160 packets of duty-unpaid cigarettes were found in the vehicles. The cigarettes and vehicles were seized, and the man was arrested. Court proceedings against the man are ongoing.



Duty-unpaid cigarettes stored in the van.



Duty-unpaid cigarettes stored in the car.



More than 1,400 cartons of duty-unpaid cigarettes seized.

THREE-PRONGED APPROACH TO TACKLE DUTY-UNPAID CIGARETTE ACTIVITIES

The enforcement operations to curb supply, such as the two cases above, are part of Singapore Customs' three-pronged approach to tackle duty-unpaid cigarette activities in Singapore; the other two prongs being suppressing consumers' demand and engaging stakeholders.

Complementing our enforcement efforts, we actively engage various stakeholders through community outreach sessions to raise public awareness on the consequences of dealing with duty-unpaid cigarettes.

These efforts will continue to raise public awareness on the ills of smoking duty-unpaid cigarettes, and encourage members of the public to play a greater role in keeping the community free of duty-unpaid cigarette activities.

Digitalising the Hand-Carried Exports Scheme for quicker and more efficient transactions

• The digitalisation of the Hand-Carried Exports Scheme (HCES) in 2018 eliminates the need for paper-based export permit endorsement, and enables a faster and more efficient transaction. The digital HCES service, which was introduced by Singapore Customs and the Inland Revenue Authority of Singapore (IRAS), is provided free to traders, and has received positive feedback from stakeholders since its introduction.

Several of the 23 members from IRAS' Taxpayer Feedback Panel, which comprises representatives from local businesses, industries and trade associations, commended the initiative.

One of the panel members said, "Good initiative to have digital clearance for the HCES process, which helps to improve document efficiency and reduce physical paper documents." Another noted that the digital initiative "is certainly a welcome move in the light of our evolving digital world".

Under HCES, traders may zero-rate their supplies of goods hand-carried out of Singapore via Changi International Airport when prescribed documents are maintained.

The digital HCES service replaces the paper-based endorsement and manual mailing of hard copy permits with an electronic copy of the clearance status of goods inspected (Digital Clearance), and provides a

simple retrieval process for traders to obtain the digital clearance via the Networked Trade Platform (NTP).

The previous process for HCES required the carrier to present the export permit together with the goods to Singapore Customs at Changi International Airport for inspection of the goods and endorsement of the export permit, before sending back the endorsed export permit to the seller to maintain as part of the requisite documents to support the zero-rating of the hand-carried goods.

The digitalisation of HCES makes the entire process more seamless and convenient for traders to maintain the required documentation to support the zero-rating of the hand-carried goods exported from Changi International Airport.

Traders may wish to refer to <https://www.customs.gov.sg/news-and-media/notices/2019-05-02-N.pdf> for more information on the HCES digital service.



One of the briefing sessions conducted by the NTP Office in June 2019 to share about the service with traders.

Lending a helping hand to communities in need

Singapore Customs officers contributed over \$6,500 in a donation drive in March 2020 for Willing Hearts, a cooked food charity, to help less-privileged individuals and families in the COVID-19 situation.

The amount raised was used to purchase a variety of essential food items such as canned food and frozen poultry products for Willing Hearts to support them in their operations to provide meals to the less privileged.

The donated food items were well-received by Willing Hearts, and were used to prepare daily hearty meals to the less privileged during this difficult period.

Chairperson of Singapore Customs' Staff Well-Being Committee, Ms Raine Ng, noted that the COVID-19 situation had made it very challenging for charities and their beneficiaries to secure food items, especially when supermarkets shelves were wiped clean at one point.

Ms Ng said, "Low-income families are struggling more than usual to make ends meet. The generous donations from our officers helped ensure a healthy supply of food items to Willing Hearts for onward preparation and distribution to the less privileged."



Representative from Willing Hearts with the donated canned food items.



Frozen poultry products donated to Willing Hearts.

NTP: New Value-Added Services on Board

Value-Added Services (VAS), built on an open development platform on the Networked Trade Platform (NTP), meet varied business needs. These include business services that cut across related sectors like trade finance. Today, NTP has a total of 52 VASes. Here are some of the VASes available on the NTP:

Doxa Holdings (SAAS Platform)

Doxa Holdings is a Fintech setup with an enterprise software-as-a-service (SAAS) platform that facilitates and accelerates supply chain financing by connecting buyers and suppliers in their supply chain transaction process.

Infolog (Warehouse Management System)

Infolog provides software solutions including warehouse management that can integrate with material-handling equipment such as robotics and radio frequency scanners, to simplify processes and enhance productivity for the distribution, logistics and supply chain industries.

Distributed Ledger Technologies (DLTLedgers)

DLTLedgers is a proprietary trade platform, underpinned by blockchain technology that facilitates cross-border trade digitisation and execution amongst other industry use cases including supplier financing, financing for small and medium-sized enterprises, and trade process digitisation for banks.

One Logis (Freight Management Service)

One Logis, with its integrated Freight (Ocean & Air), Billing and Accounting modules, provides a Freight Management Service that allows companies to obtain real-time shipment status and convert forwarder request into Booking and Bill of Lading.

SysMagic Software Solution (SysFreight)

SysFreight is a software solution that delivers comprehensive functionalities in all critical aspects of freight and logistics operation. It is a fully integrated system built around a single powerful database with each module designed to perform specific functions, namely air freight operation, sea freight operation, warehouse operation, transport operation, cargo tracking and accounting management.

The full VAS list is available at www.ntp.gov.sg/public/browse-vas-catalogue.

To find out more about the NTP and sign up for an account, go to www.ntp.gov.sg.

Traders' Satisfaction Survey 2019

Singapore Customs conducted its bi-annual Traders' Satisfaction Survey in 2019 to measure customer satisfaction in their interactions with the department, to better understand the experiences, needs and expectations of the trading community. Such feedback is then used for process reviews or system designs to further enhance the customer experience during the use of services provided by Singapore Customs.

Survey respondents provided their satisfaction ratings across various touchpoints such as the Customs website, Customs Call Centre, TradeNet, schemes and certifications, and their overall satisfaction with Singapore Customs.

With the introduction of the Networked Trade Platform (NTP), survey respondents were also asked to provide feedback on the NTP-related touchpoints that they had used

so far. Examples of NTP-related touchpoints featured in the survey included briefings for NTP users, NTP website and eServices on NTP.

The department received an overall satisfaction mean score of 4.98 out of 6, a slight increase from 4.94 in 2017. The top three touchpoints with the highest satisfaction mean scores were face-to-face interactions with Singapore Customs officers (5.33), Secure Trade Partnership (STP)/STP-Plus (5.12) and phone interactions with Singapore Customs officers (5.08). In addition, the department received high satisfaction mean scores for other touchpoints such as Manufacturing Cost Statement (5.06), Strategic Trade Scheme Bulk Permit (5.02) and eServices (5.01).

Singapore Customs thanks all the respondents for their valuable feedback and suggestions provided through the survey. The department will continue to seek stakeholders' feedback and address them as part of its efforts towards service improvement.

Singapore reaffirms commitment to facilitate cross-border flows with four nations

On 1 May 2020, Minister for Trade and Industry Chan Chun Sing and his counterparts from Australia, Canada, the Republic of Korea and New Zealand launched a Joint Ministerial Statement on Action Plans to Facilitate the Flow of Goods and Services as well as the Essential Movement of People.

Under the Joint Statement, the Ministers agreed to expedite customs procedures and refrain from introducing export restrictions

on essential items such as food and medical supplies, among others. This will ensure the smooth and timely flow of goods and open supply chains. The Ministers also agreed to ensure the continued operation of logistics networks via air, sea and land freight.

The Joint Statement, together with other bilateral and plurilateral statements made in recent months, represents the nations' collective commitment to maintain trade and supply chain connectivity amidst the COVID-19 pandemic.

DO YOU KNOW?

DECLARATION ON TRADE IN ESSENTIAL GOODS FOR COMBATING THE COVID-19 PANDEMIC

On 15 April 2020, Singapore and New Zealand jointly announced the launch of a Declaration on Trade in Essential Goods for Combating the COVID-19 Pandemic.

The Declaration builds on the Joint Ministerial Statement on Supply Chain Connectivity which was originally issued by New Zealand and Singapore in March 2020.

Seven other countries – Australia, Brunei Darussalam, Canada, Chile, Lao PDR, Myanmar and Uruguay have since pledged their commitment to the Joint Ministerial Statement to ensure supply chain connectivity amidst the COVID-19 situation.

Arising from the Declaration, the customs duty of the following products imported into Singapore are exempted with effect from 15 April 2020:

HS CODE	DESCRIPTION	CUSTOMS DUTY EXEMPTED
2208.90.10	Medicated samsu of an alcoholic strength by volume not exceeding 40 % vol.	\$8.00 per litre of alcohol
2208.90.20	Medicated samsu of an alcoholic strength by volume exceeding 40 % vol.	\$8.00 per litre of alcohol
2208.90.30	Other samsu of an alcoholic strength by volume not exceeding 40 % vol.	\$8.00 per litre of alcohol
2208.90.40	Other samsu of an alcoholic strength by volume exceeding 40 % vol.	\$8.00 per litre of alcohol



For more information, refer to **Circular 03/2020** on the Customs website.