

inSYNC

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Photo: SPRING Singapore

Singapore Customs achieves Singapore Quality Award

Singapore Customs was presented with the pinnacle award for business excellence in the country, the Singapore Quality Award (SQA), this year.

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Photo: Wildlife Reserves Singapore

Customs Facilitation for Historic Letters and Giant Pandas

China-Singapore diplomatic relations reached a new high with the recent arrival of two giant pandas in Singapore. In addition, a new dimension was added to the Singapore story with the public debut of 13 letters written by Sir Stamford Raffles, founder of Singapore, in a landmark heritage exhibition by the National Library Board (NLB). Singapore Customs played a vital role in the import of the rare letters and the giant pandas.

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inSIGHT

PURSUING EXCELLENCE, SUPPORTING ENTERPRISE

In our final issue for 2012, we celebrate Singapore Customs' achievement of the Singapore Quality Award (SQA). The SQA is the pinnacle award for business excellence in Singapore, presented to organisations which have demonstrated outstanding management capabilities, and delivered superior performance and results.

We would like to thank members of the trading community, our partner agencies and all stakeholders who have been working closely with us, for your continued support through the years.

Achieving the SQA is a significant milestone in Singapore Customs' journey towards excellence. This prestigious award has spurred us to set our sights higher and to strive even harder to be the best that we can be, so that we can continue to serve the trading community and our nation well.

Singapore Customs was also placed second in the Pro-Enterprise Ranking survey of regulatory agencies in Singapore, and the agency's facilitation of the new Jurong Island Terminal bagged the Public Sector Pro-Enterprise Initiative (Gold) Award.

In addition, this issue also features Singapore Customs' new Declaring Agent Governance Framework, and our facilitation for the import of historic letters written by Sir Stamford Raffles and a pair of giant pandas from China.

TAN ZI JIE
Editor



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Singapore Customs achieves Singapore Quality Award

Singapore Customs was presented with the pinnacle award for business excellence in the country, the Singapore Quality Award (SQA), this year.



**SINGAPORE
QUALITY
AWARD**
for business excellence

2012 WINNER

The SQA is awarded to organisations which have demonstrated outstanding management capabilities and delivered superior performance and results.

Following a three-day assessment in July this year, the department clinched the award. Achieving the SQA is a significant milestone on Singapore Custom's excellence journey. As a public agency that has served the nation well for over a century, Singapore Customs embarked on a journey to transform from "Good to Great", to scale new heights and deliver breakthrough solutions to customers. The organisation-wide effort started in 2009 and drew inspiration from management guru Jim Collins' best-selling book *Good to Great*, where he noted that "Good is the enemy of great": that simply being good can sometimes hamper progress.

Director-General of Customs Fong Yong Kian received the SQA trophy from Deputy Prime Minister and Minister for Finance Tharman Shanmugaratnam at the Business Excellence Awards Ceremony on 20 November 2012.

SERVING SINGAPORE FOR A CENTURY

Formed in 1910 as the Government Monopolies Department, the department has constantly re-invented itself as its roles evolved over the years. As the lead agency for both customs and trade regulatory matters today, Singapore Customs upholds customs and trade laws to build trust, facilitate trade and protect revenue.

"Our work is underpinned by our firm belief that the dual purpose of our regulation is to facilitate legitimate trade, whilst we take firm actions to counter illicit trade. Hence, our strategies towards trade facilitating and compliance complement each other and our goal is to provide an environment of high trust and efficiency, where international trade can flow seamlessly," said Mr Fong.





During a three-day SQA assessment in July 2012, the assessors met with over 260 Customs staff to learn about the organisation's best practices and outstanding results.

PARTNERING BUSINESSES

As trade is the lifeblood of Singapore's economy, Singapore Customs is deeply plugged into the trade, manufacturing and logistics sectors.

"Although we are a regulatory agency, we see the companies as partners and as customers," said Mr Fong.

Singapore Customs adopts a partnership approach with the business community to achieve mutual understanding and co-create solutions with them. It has an extensive outreach programme to help companies understand and comply with its regulations, which includes tips on how to reap benefits from Free Trade Agreements and enjoy tax suspension schemes on re-exports. The inputs of traders are also sought to improve on trade regulations and implementation procedures.

Always looking to spur business enterprise, Singapore Customs revised three licensing schemes in the second quarter of 2012: the Excise Factory Scheme, Licensed Warehouse

Scheme and Industrial Exemption Factory Scheme. In particular, a new microbrewery licence was introduced to cater specially to the microbrewery business model. Small-scale breweries producing less than 1.8 million litres of beer or stout need only pay \$8,400 annually, cutting their licensing costs by 80 per cent.

Back in 2009, the agency set out to make its facilitation schemes more transparent, responsive and flexible to businesses – to offer customised solutions without increasing the levels of risk or non-compliance. After studying various overseas customs administrations, Singapore Customs revamped its approach and launched TradeFIRST.

TradeFIRST stands for Trade Facilitation and Integrated Risk-based System and is a one-stop assessment framework for all Customs facilitation schemes. It streamlines the application process for businesses, which previously had to apply to different schemes on separate occasions. It has an added personal touch: dedicated Singapore Customs account managers who work closely with companies to respond swiftly to their changing business needs.

In January 2012, Singapore Customs launched the Singapore Customs Academy to enhance the compliance capacity of the trading community. The academy's courses are conducted in short modules, with an online portal providing access to information 24/7.

This is particularly useful for small and medium-sized enterprises (SMEs) in Singapore with fewer employees and lesser flexibility to send employees for extended training.

Since February this year, 260 companies have sent nearly 1,300 employees to attend courses at the Singapore Customs Academy. When traders are more informed about Customs requirements, they are better able to comply with them. With a higher compliance level, Singapore Customs can then further facilitate their trade transactions.

ADOPTING A WHOLE-OF-GOVERNMENT MINDSET

Understanding that there are multiple stakeholders in trade, Singapore Customs collaborates with other government agencies to enable a Whole-of-Government approach towards resolving a wide range of complex issues, such as shortening international trade processes.

In its everyday functions, there is a strong external focus and the organisation actively looks for avenues to work with others. Singapore Customs has collaborated with agencies like Singapore Police Force and the Immigration & Checkpoints Authority in joint enforcement operations to curb illicit activities. It also works closely with the Ministry of Trade and Industry, Ministry of Transport and Ministry of Home Affairs to secure the global supply chain.

COLLABORATING WITH THE INTERNATIONAL CUSTOMS COMMUNITY

Singapore Customs actively collaborates with other customs administrations to further the strategic interest of facilitating global trade. It enlarges the trade facilitation mindshare with trading partners by negotiating Free Trade Agreements, driving regional economic integration projects such as the ASEAN Customs Transit System and ASEAN Self-Certification of Origin initiatives in ASEAN.

The agency has also gone beyond focusing on border security to work with like-minded international partners to secure the global supply chain, prevent the proliferation of weapons of mass



Photo: SPRING Singapore

Director-General of Customs Mr Fong Yong Kian (second from right) received the SQA trophy from Deputy Prime Minister and Minister for Finance Tharman Shanmugaratnam at the Business Excellence Awards Ceremony on 20 November 2012.

destruction, and establish Singapore as a secure and trusted node in the chain.

On a bilateral level, Singapore Customs has established a network of Mutual Recognition Arrangements of Authorised Economic Operator (AEO) programmes with China, Japan, Korea and Canada to enhance supply chain security. Recognised traders under both countries' AEO programmes benefit from greater customs facilitations on both sides.

TAPPING TECHNOLOGY TO BOOST PRODUCTIVITY

Singapore Customs leverages on technology to bring about innovations that give the Singapore economy the competitive edge. In 1989, the organisation pioneered the world's first National Trade Single Window system. Traders need only submit their trade permits to the TradeNet system once and the permit is then processed by multiple government agencies in minutes.

Expanding upon TradeNet, Singapore Customs set up TradeXchange, a neutral and secure IT platform in 2007 to enable companies to integrate, share and re-use common information and data with their business partners. This enables faster and more efficient

Business-to-Business and Business-to-Government transactions.

The platform has raised the productivity of the logistics sector by automating data extraction and eliminating the need for multiple data entries. For example, companies have also been able to cut down the preparation time for trade declarations by up to 50 per cent: from three to four days to just one or two days. In addition, freight forwarders enjoy up to 90 per cent time savings when applying for marine cargo insurance.

PEOPLE AT THE HEART OF EVERYTHING

Singapore Customs is an organisation which values its people and puts them at the heart of everything it does. This people-centric management style has resulted in highly motivated and productive employees. In 2011's Employee Engagement Survey, Singapore Customs obtained best-of-class scores in the areas of "teamwork", "learning and development" as well as "supervisory practices".

A WORLD-CLASS CUSTOMS

In the international arena, Singapore Customs is well-known for its efficiency and transparency. It has been ranked first over the last five years (2008-2012) in

the World Bank's Doing Business Report in terms of the ease of trading across borders. This ranking is based on three sub-indicators which look at documents, time and cost to export and import.

In addition, Singapore Customs also came out tops for the past three years in the World Economic Forum's Global Enabling Trade Report, for the sub-index on Border Administration. This sub-index is a composite of three pillars, namely efficiency of customs administration, efficiency of import-export procedures and transparency of border administration.

CONTINUING EXCELLENCE

In his acceptance speech at the awards presentation ceremony, Director-General Fong Yong Kian said: "Achieving the SQA is indeed a heartening affirmation that we are on the right track. We will continue to learn from the best on our journey of excellence, to serve Singapore and the trading community better."

New Declaring Agent Governance Framework to Benefit Industry

To improve the productivity and lower operating and compliance costs for declaring agents (DAs), Singapore Customs is introducing a DA Governance Framework that aims to enhance the industry's proficiency in customs procedures and documentation.

The new DA Governance Framework provides greater clarity on the roles and responsibilities of DAs and declarants by introducing the elements of continual assessment, review, and upgrading of skills. The framework includes a new registration and renewal process, a focus on capacity building to boost knowledge, and an incentive and compliance mechanism to reward more compliant DAs. It will be implemented from 7 January 2013.

DAs and declarants act as the critical intermediaries between government agencies and the trading community and are an important node in the trade supply chain. Every year, they submit more than nine million trade declarations to cover the importation, exportation or transhipment of goods.

The DA industry is responsible for the accuracy, completeness and integrity of trade declarations and compliance with the conditions stipulated in the trade declarations. Reliable and accurate trade data submitted by DAs allows expeditious processing; so legitimate trade goods can flow through Singapore quickly and smoothly, fuelling our trade-dependent economy.

Recognising the importance of this group, Singapore Customs set out to review its requirements and help the industry to raise the bar in proficiency and professionalism. In May 2012,

the department conducted a public consultation to gather industry views on the proposed governance framework and received 64 submissions. The feedback helped Singapore Customs further fine-tune the framework to better cater to the needs of the DA industry.

THE FRAMEWORK AND ITS BENEFITS

Equipped with better internal control procedures and processes, DAs and declarants will possess greater proficiency in trade declaration matters, have fewer mistakes to rectify and thus be subject to less compliance checks by Singapore Customs.

As such, the companies can look forward to lower operating and compliance costs, improved compliance levels and greater productivity.

Presently, DAs and declarants are required to register with Singapore Customs before they are authorised to submit trade declarations to Singapore Customs via the TradeNet system.

With the new registration and renewal process, all DAs will be assessed by Singapore Customs using a set of common assessment criteria (comprising their internal control procedures and compliance records with Singapore Customs) and categorised into five bands according to their scores. In each band, they are subject to different registration validity periods and benefits.

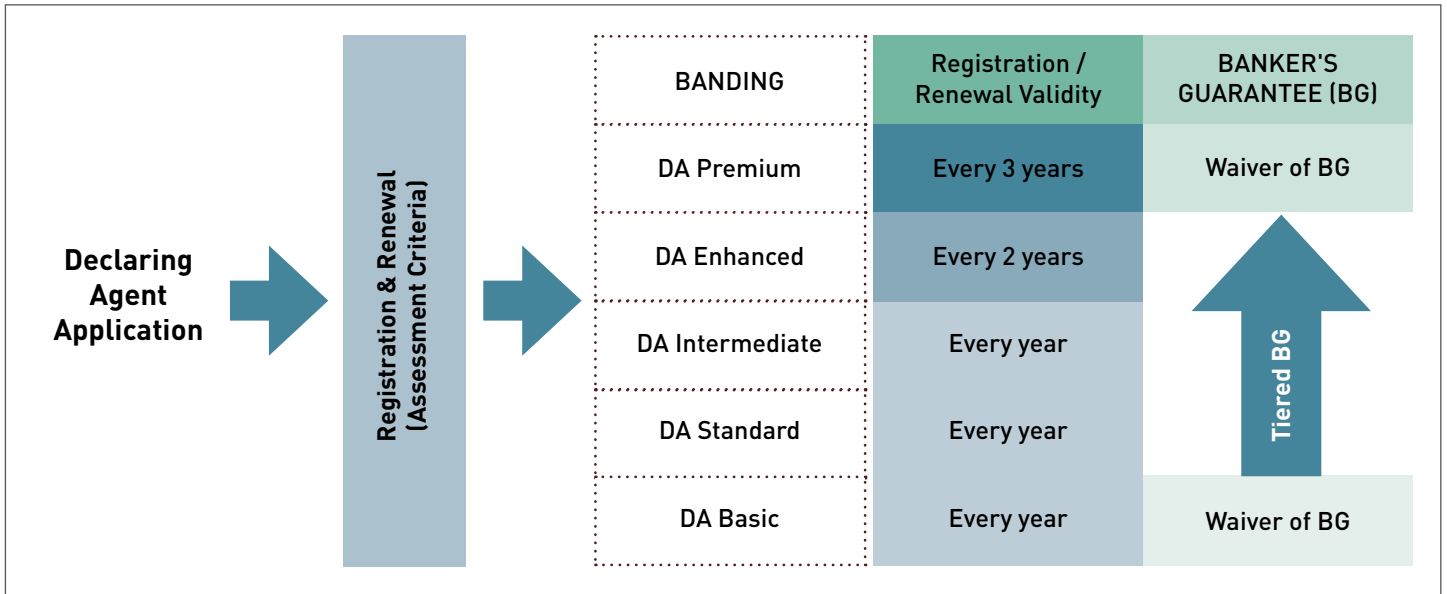
This framework is modelled after the agency's award-winning TradeFIRST initiative: where a single, holistic assessment of a company based on risk management principles determines its eligibility for all of Singapore Customs' facilitation schemes.

DAs which practise good internal control procedures and processes and have good compliance records can enjoy a longer registration validity period of up to three years, and lower or waiver of security requirements, which helps reduce operating costs. On the flipside, non-compliant or recalcitrant DAs and declarants risk having their accounts suspended or revoked.

The regular assessment requirements also encourage DAs to constantly review their internal control procedures and processes and improve on areas they are weaker in. As the set of assessment criteria is provided upfront, they also serve as a guide for DAs to develop robust procedures and processes to attain a higher level of compliance, which then translates into lower compliance costs.

In addition, to ensure that new declarants possess adequate knowledge on customs documentation and procedures so they can better advise and service their clients, new declarants need to pass a proficiency test before they can be

REGISTRATION AND RENEWAL PROCESS



registered with Singapore Customs. Through this requirement, declarants enhance their knowledge of customs procedures and can thereby increase their compliance levels. Declarants will have several options for acquiring

the necessary knowledge: through Singapore Customs' website, courses at the Customs Academy, and webcasts available at the Virtual Customs Academy.

Refer to the Declaring Agents Governance Framework page at www.customs.gov.sg and Circular 16/2012 for more information.

Implementation of Canada-Singapore Mutual Recognition Arrangement on Supply Chain Security Programme

Since November 2012, the Canada-Singapore Mutual Recognition Arrangement (MRA) on Authorised Economic Operators (AEOs) has become operational.

The supply chain security agreement facilitates the flow of bilateral trade between certified companies with robust security practices in the two countries, while keeping the supply chains safe and secure.

Under the MRA, Canada Border Services Agency (CBSA) and Singapore Customs mutually recognise the AEO programmes of both countries: Singapore's Secure Trade Partnership Plus (STP-Plus) and Canada's Partnership In Protection (PIP). Exports from companies which are members of the

two programmes are recognised to be low-risk and secure, and will be accorded a higher level of facilitation during customs clearance in Canada and Singapore.

The MRA was signed between Singapore Customs and CBSA in June 2010.

Refer to Circular 14/2012 at www.customs.gov.sg for more information on how to benefit from the Canada-Singapore MRA.

Customs Facilitation for Historic Letters and Giant Pandas

China-Singapore diplomatic relations reached a new high with the recent arrival of two giant pandas in Singapore. In addition, a new dimension was added to the Singapore story with the public debut of 13 letters written by Sir Stamford Raffles, founder of Singapore, in a landmark heritage exhibition by the National Library Board (NLB). Singapore Customs played a vital role in the import of the rare letters and the giant pandas.



Photo: National Library Board

Singapore Customs facilitated the import of 13 rare letters from Scotland in the landmark heritage exhibition Raffles' Letters: Intrigues to the Founding of Singapore.

Singapore Customs regulates the import and re-export of goods and even live animals in and out of Singapore. With imported goods usually requiring payment of duties and Goods and Services Tax (GST), the agency has remained flexible to the needs of businesses and organisations by having a range of trade facilitation schemes such as the Temporary Import Scheme,

Licensed Warehouse Scheme and Zero GST Warehouse Scheme.

DELIVERING FRESH INSIGHTS ON SINGAPORE'S HISTORY

In 1819, Sir Stamford Raffles' discovery of Singapore marked the beginning of the island's involvement in entrepot trade. When Raffles surveyed the island then known as Temasek, he noted its deep harbour and advantageous geographical location. Today, nearly 200 years later, Singapore has become one of the busiest trading hubs in the world.

Raffles' early observations on the decisions and events that led to the founding of Singapore as a British trading post are documented in 13 of his letters, which are now on loan from Scotland for an exhibition at the National Library of Singapore. The letters' import into the country was aided by Singapore Customs.

Under Singapore Customs' Temporary Import Scheme (TIS), goods that are temporarily imported into Singapore for approved purposes such as repairs, stage performances or exhibition can have GST suspended if the goods are re-exported out of Singapore within six months. TIS also requires security in the form of either a banker's guarantee or an insurance bond to be lodged with Singapore Customs.

Assessing the high educational value of the letters and how they contribute fresh insights into Singapore's history, Singapore Customs granted GST relief for the artefacts and also waived the security requirement for NLB.

Ms Florence Tan, Manager of the National Library of Singapore, had approached Singapore Customs for assistance as it was the first time that NLB had to apply to Singapore Customs for the importation of their artefacts from overseas.

She said: "We were not sure about the procedures and had to work with a very tight deadline. We are very grateful to Singapore Customs for their assistance and advice. They expedited the whole process, responding swiftly to our queries at every step, guiding us on the documents needed and even proactively suggested that we apply for the TIS."

Presented to the public for the first time ever, these letters are the main highlight in the **Raffles' Letters: Intrigues to the Founding of Singapore** exhibition which is being held till February 2013 at the National Library Building.

The letters were in private custody as part of The Bute Collection in Scotland for many years. Written between 1819 and 1823, they originated from the private

papers of Francis Rawdon-Hastings, 1st Marquess of Hastings, who supported Raffles’s efforts to establish a new British settlement in the East Indies, which eventually led to the founding of Singapore in 1819.

“These letters are an essential part of Singapore’s history and through this joint cooperation, we are able to let the public view them,” Ms Tan added.

WELCOMING CHINA’S GIANT PANDAS TO SINGAPORE

In September this year, Singapore was gripped by “panda fever”. A pair of rare giant pandas touched down at Singapore’s Changi Airport on 6 September 2012 and received a rousing welcome. The arrival of “Kai Kai” (victorious) and “Jia Jia” (beauty) marked two decades of warm Sino-Singapore ties.

Singapore Customs facilitated the import of these VIPs (very important pandas), which are considered to be China’s national treasures. Prior to their arrival, the agency took part in discussions with Wildlife Reserves

Singapore, Agri-Food & Veterinary Authority of Singapore and other government agencies to look into ways to contribute to the significant event.

The answer seemed to lie with the TIS, which makes allowances for the import of animals for breeding purposes. The giant pandas are in Singapore for 10 years as part of a joint collaboration between China Wildlife Conservation Association and Wildlife Reserves Singapore, to raise public awareness on wildlife conservation and develop a breeding programme for these endangered animals. Building upon expertise from China, Wildlife Reserves Singapore aims to replicate the conditions suitable to naturally or artificially assist the reproduction of giant pandas in Singapore.

Under the TIS, live animals brought into the country for dressage, training or breeding purposes are normally granted temporary import status if they are re-exported out of Singapore within six months. Recognising the significance of this collaboration between the two countries, Singapore Customs granted

the pandas a temporary import period of 10 years and also waived the security required for their import.

Five-year-old male “Kai Kai” and four-year-old female “Jia Jia” made their public debut on 29 November and are part of the star attractions at the upcoming River Safari, Asia’s first and only river-themed wildlife park.

Giant pandas “Kai Kai” and “Jia Jia” received star treatment as they landed at Singapore’s Changi Airport, aboard a specially-chartered cargo jet.



Photo: Wildlife Reserves Singapore



Photo: Wildlife Reserves Singapore

One Illegal Cigarette; Serious Consequences

Buying or selling a single illegal cigarette is all it takes to mark a person as a criminal, be slapped with a fine, and/or land in jail.

That is the main message behind the public outreach campaign Singapore Customs is rolling out from November 2012 to June next year.

With the tagline '1 IS ALL IT TAKES', the campaign aims to educate the public on the penalties of dabbling with contraband cigarettes, through a variety of traditional and new media platforms.

The campaign includes television commercials on free-to-air and cable television, newspaper advertisements, radio shows and outdoor media such as table-top advertisements in selected hawker centres and coffee shops. Public buses carrying the advertisements will also drive the message home.

In addition, Singapore Customs will hold a series of community road shows in the heartlands where Customs officers will be on the ground to convey the anti-contraband cigarette message. By directly engaging the community, Singapore Customs aims to encourage greater public involvement in the fight against illegal cigarettes, and spur citizens to report any illegal cigarette activity through the Customs hotline at 1800-233-0000.

At-risk groups such as students will also learn about the dangers of contraband cigarettes via new media channels: the campaign's dedicated web page, a Facebook application and online banners.

The public outreach campaign is part of Singapore Custom's multi-pronged approach to tackle the contraband cigarette problem. First launched in 2009, the campaign is currently on its third run. It complements the community engagement work Customs officers conduct on a regular basis. The department also works closely with other agencies like the Health Promotion Board and Health Sciences Authority on joint outreach activities.

Collaborations with other law enforcement agencies and media publicity have proven effective in curbing the cigarette supply in the black market. For the third consecutive year, 2011 saw a decline in the amount of contraband cigarettes seized at 1.9 million packets of cigarettes, a 17.4 per cent decrease from 2.3 million packets in 2010.



**IT ONLY TAKES ONE
ILLEGAL CIGARETTE
TO BE MARKED
A CRIMINAL**

Buying, selling or possessing duty-unpaid cigarettes is a crime punishable by law. Anyone found guilty can be fined up to 40 times the amount of duty evaded, and/or jailed for up to six years.

 **SINGAPORE
CUSTOMS**

**1 IS ALL
IT TAKES**

Call 1800-233-0000 to report illegal cigarette activities.
ItTakesOne.sg

Visit www.ItTakesOne.sg to find out more about the '1 IS ALL IT TAKES' anti-contraband cigarette campaign and community road shows.

Updates on Advance Export Declaration

Singapore Customs released more details on the Advance Export Declaration (AED) requirement, which will take effect from 1 April 2013.



To enhance Singapore’s position as a secure and trusted trade hub within the global supply chain, Singapore Customs is implementing AED, which requires all export declarations, including those for non-controlled and non-dutiable goods, to be submitted before the goods leave Singapore.

With advance cargo information, Singapore Customs will be able to identify high-risk consignments for checks before export. This risk management approach to assessing security threats is consistent with the World Customs Organisation’s Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework), and will contribute to securing Singapore’s trade flows with other countries.

Since 2010, Singapore Customs has been engaging various stakeholders to gather their feedback on the implementation of AED. While formulating the AED requirements, the department’s primary consideration was to minimise the impact on trade.

Early this year, the department released a circular announcing the implementation date and requirements of AED. On 24 October 2012, Singapore Customs issued a notice of updates on the implementation details following further feedback from the trading community. Details of the updates, which are published on the Singapore Customs website, include:

- a) Updated list of TradeNet permit fields that can be amended under AED
- b) Updated list of cargo exemptions

- c) Process flows involving sea port operators and air cargo ground handling agents

- d) Penalty guidelines during the 18-month adjustment period

OUTREACH TO STAKEHOLDERS

To help traders further understand the AED requirements and clarify questions they may have, Singapore Customs conducted a series of outreach sessions to trade associations such as the Singapore Air cargo Agents Association, Singapore Chemical Industry Council and Singapore Logistics Association.

On 9 November 2012, Singapore Customs and the Conference of Asia Pacific Express Carriers (CAPEC) jointly organised a seminar. The department is working closely with four major express carriers – DHL, FedEx, TNT and UPS – as well as ground handling agents to ensure that the turnaround time for express cargo is not severely affected.

Possible measures include leveraging on the air express carriers’ technology and scanning capabilities, and ensuring that there is no overlap in regulatory requirements in the Regulated Air Cargo Agent Regime (RCAR) and AED. Singapore Customs and the air express carrier industry are also exploring joint outreach opportunities to their customers, to ensure that all parties along the supply chain are familiar with the AED requirements.

HELPING BUSINESSES MEET THE REQUIREMENTS

To assist businesses in complying with the requirements, Singapore Customs is working with the Infocomm Development Authority of Singapore (IDA) to look into ICT solutions that can streamline the customs declaration process by enabling early capturing of source data and re-using them for declarations.

A Request for Information (RFI) exercise was carried out in the third quarter of 2012 to call for proposals. Singapore Customs and IDA will jointly evaluate the feasibility and viability of the proposed solutions and where suitable, recommend any potential funding schemes to companies and/or IT solution providers for the solutions.

For more information on the implementation details, refer to Notice 07/2012 and the Advance Export Declaration page at www.customs.gov.sg

ACE Hub Gives Singapore's Air Logistics Sector a Boost

Air express giant FedEx is the first to set up its new regional hub within Singapore's Air Cargo Express (ACE) Hub at Changi Airport. The ACE Hub is a specialised facility which provides direct airside access and on-site customs clearance to facilitate the speedy delivery of express cargo.



Photo: FedEx Express

The FedEx South Pacific Regional Hub includes an airside infrastructure with two aircraft parking bays, allowing containers to be unloaded from the aircraft and delivered to the sort belt at the hub in under four minutes.

Leveraging on the excellent connectivity of Changi Airport, the ACE Hub was conceived as a centre for air express companies to establish their regional hubs to serve markets in Southeast Asia, South Asia and Oceania. The cargo and logistics infrastructure is strategically located within the Airport Logistics

Park of Singapore (ALPS), Changi Airport's Free Trade Zone, to facilitate the free movement of cargo between the two facilities. It provides air express companies with direct access to the airside and dedicated apron parking to allow for self-handling of cargo to and

from their aircraft, enabling companies to achieve greater efficiency and speed in delivering express cargo.

Within the ACE Hub stands FedEx Express' new \$97-million South Pacific Regional Hub, which consolidates its air, ground and clearance operations

under one roof, and is the largest FedEx integrated facility in the Asia Pacific. The 282,700 square foot facility serves the Singapore market and is a transshipment point for Southeast Asia, Australia and New Zealand.

INCREASED EFFICIENCY AND CAPACITY

Through process redesign and automation, FedEx Express, a subsidiary of FedEx Corporation, has boosted its efficiency and capacity since it moved to its new centre, which is twice the size of its previous three facilities put together.

The time taken for packages to be sent for local delivery to customers is reduced by over 80 per cent to just 10 minutes from their time of arrival. This is because operations at the new hub are in close proximity to the centre's two aircraft parking bays that currently service FedEx's 34 flights into and out of Singapore weekly, as well as due to the use of a fully-automated high-speed 12-output sorting system that can sort up to 12,000 packages per hour. It also means quicker turnaround for transshipment cargo.

The facility is also the first logistics hub in Singapore to house a special on-site cargo clearance facility, which translates into seamless customs clearance for FedEx cargo.

Singapore Customs and the Immigration & Checkpoints Authority (ICA), together with the Economic Development Board, worked closely to grant air express companies located at the ACE Hub certain facilitation for customs formalities to ensure a smooth flow for their operations, as fast turnaround is vital for the industry.

This includes having full-time ICA officers stationed on-site to perform cargo clearance functions, as well as a dedicated lane at the ICA ALPS checkpoint to facilitate the smooth exit of FedEx vehicles bearing express cargo from the ACE Hub.

"The enhanced efficiency the FedEx South Pacific Regional Hub brings to our operations is designed to provide our customers with greater, faster and more reliable access to regional and global



Photo: FedEx Express

On-site cargo clearance at the ACE Hub provides seamless customs clearance for FedEx cargo.

trade opportunities," said FedEx Express' regional vice-president for South Pacific Karen Reddington. "We are very proud of this new Regional Hub and we are confident that it will reinforce FedEx's commitment to better support our customers in this region."

TAPPING THE BOOM IN REGIONAL TRADE

The ACE Hub was set up to tap on the rise in intra-Asia trade, which jumped from US\$1.9 trillion in 2007 to US\$2.5 trillion in 2010. The region is projected to account for about 60 per cent of world trade in 2015.

"These rising trends look set to continue as Asia grows from being the manufacturing centre of the world, to also the largest consumer market in the world," noted Minister for Transport Lui Tuck Yew at the official opening of FedEx's new South Pacific Regional Hub on 3 October 2012.

With its strategic location at the crossroads of major trade lanes, strong air connectivity, the presence of leading logistics providers and specialised

infrastructure such as the ALPS and the ACE Hub, "Singapore is well positioned to capture this intra-Asian trade growth," said Mr Lui.

Good physical infrastructure and the right regulatory environment are among the key factors that influenced FedEx to locate its regional hub in Singapore, said Ms Reddington. Singapore remains an important hub for its South-East Asian operation amid the proliferation of Free Trade Agreements and bilateral trade deals.

"FedEx believes Singapore has all the attributes to become a world-class air cargo hub. It's served by over 100 airlines with about 5,400 weekly scheduled flights to some 200 cities in 60 countries worldwide. Singapore has physical connectivity and location; a high number of multinationals headquartered in the country; excellent transportation and regulatory infrastructure; and a long history of supporting free trade."

Singapore Customs Takes 2nd Spot in Pro-Enterprise Ranking

In an annual survey of the pro-enterprise regulatory agencies in Singapore, Singapore Customs improved in all five survey components and jumped nine places from 11th place in 2011 to the 2nd spot this year.



Photo: Ministry of Trade and Industry

Singapore Customs Director-General Fong Yong Kian (right) receives the Pro-Enterprise Panel-Singapore Business Federation (PEP-SBF) Award from Minister of State for Trade and Industry Teo Ser Luck.

The Pro-Enterprise Ranking (PER) survey assesses the effectiveness of government initiatives in helping businesses in Singapore. Conducted by international consultancy Frost and Sullivan, this year's PER survey examined the perceptions and expectations of businesses that had interacted with 26 agencies, and involved more than 4,000 telephone interviews.

The agencies were assessed through five components: pro-enterprise orientation, transparency, compliance cost, review of rules and regulations, and customer responsiveness. The pro-enterprise index was computed based on the aggregated scores of each agency's performance in each component. Singapore Customs received an aggregate score of 84.57

out of 100, behind the Maritime and Port Authority of Singapore.

The pro-enterprise orientation component measured how friendly each agency's policies were in nurturing new business ideas. An interviewee said: "There is now more room for negotiations with Singapore Customs, which is more pro-business. In the past the agency will just impose a penalty instead of allowing appeals."

Singapore Customs' efforts in improving transparency were appreciated by another interviewee, who said: "Singapore Customs tries to be customer-oriented and proactive in engaging us to understand our needs. They are good in terms of transparency: they explain their decisions clearly and with sufficient reasoning. We believe the rules are more transparent than in other countries. Online applications are easy and there is auto-prompting so we can meet the deadlines."

At the inaugural Pro-Enterprise Panel-Singapore Business Federation (PEP-SBF) Awards ceremony on 28 November 2012, Singapore Customs Director-General Fong Yong Kian received the PEP-SBF Award from Mr Teo Ser Luck, Minister of State for Trade and Industry.

Mr Fong said: "Though we are a regulatory agency, we also adopt a pro-enterprise mindset to partner companies. We have designated relationship and account managers who work closely

with key customers from the trading community. This allows us to understand their business needs better, and for them to see us as their business partners."

"We believe that our improved pro-enterprise rankings over the past few years are a strong endorsement of our partnership approach. We will continue to work with the trading community and customise initiatives to match their diverse needs, building on the strong Customs-Business partnership to facilitate trade."

SINGAPORE CUSTOMS WINS PRO-ENTERPRISE INITIATIVE GOLD AWARD

Singapore Customs also bagged the Public Sector Pro-Enterprise Initiative [Gold] Award at the PEP-SBF Awards ceremony. To support Singapore's vital energy and chemicals industry at the Jurong Island Hub, Singapore Customs facilitated the secure movement of hazardous chemicals via sea barges between the main island of Singapore and Jurong Island. This is done through setting up the dedicated Jurong Island Terminal, which began operations on 25 June 2012.

Singapore Ranked 1st in Doing Business 2013 Report

For the seventh consecutive year, Singapore is the world's most conducive economy for conducting business. This is according to Doing Business 2013, a series of annual reports published by the World Bank and the International Finance Corporation.

The report, conducted across 185 economies, examines regulations that enhance business activity and those that constrain it, in 10 areas of the life of a business.

In the area of 'Trading across Borders', Singapore has maintained its top spot for six years since 2008. The section examines key customs indicators such as the time, cost and number of documents required for export and import, in which Singapore has remained consistently competitive.

Singapore Customs' electronic single window TradeNet was also highlighted as a good practice in the report. It was lauded as an implementation which led to "big gains in government productivity".

Singapore leads other economies such as Hong Kong (2nd) and Malaysia (12th) in the report's overall ranking of 'Ease of Doing Business', which is measured by quantitative indicators on business regulation and protection of property rights.

TRAINING CALENDAR

Programme	Dates
<p>SC100 BASICS OF EVERY DECLARANT</p> <p>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.</p> <p>The course comprises three modules:</p> <ul style="list-style-type: none"> • SC101 Customs Procedures (2 days) • SC102 Classification and the Harmonised System (Half day) • SC103 Rules of Origin / Free Trade Agreements (Half day) <p>Participants may register for individual modules.</p>	<p>7 – 9 Jan 2013</p> <p>6 Feb 2013 (SC 102 and SC 103 only)</p>
<p>SC200 STRATEGIC GOODS CONTROL PROGRAMME</p> <p>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.</p> <p>The seminar comprises two modules:</p> <ul style="list-style-type: none"> • SC201 Basics of Strategic Goods Control (Half day) • SC202 Essentials of Internal (Export Control) Compliance Programme (Half day) <p>Participants may register for individual modules.</p>	<p>14 Dec 2012</p> <p>21 Feb 2013</p>
<p>TRADERS CLINICS</p> <p>These monthly one-on-one consultation sessions provide an avenue for traders to seek advice and provide feedback on general customs procedures and services.</p>	<p>27 & 28 Dec 2012</p> <p>24 & 25 Jan 2013</p> <p>21 & 22 Feb 2013</p>
<p>OUTREACH PROGRAMME FOR NEWLY-REGISTERED TRADERS</p> <p>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 call 6355 2000 or email customs_documentation@customs.gov.sg</p>	<p>21 Dec 2012</p> <p>18 Mar 2013</p>
<p>OUTREACH PROGRAMME FOR NEWLY-REGISTERED MANUFACTURERS</p> <p>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</p>	<p>Feb 2013</p> <p>Apr 2013</p>

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



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