

1910

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HIGHWAY FOR TRADE

CELEBRATING 100 YEARS OF SINGAPORE CUSTOMS

1910 HIGHWAY CELEBRATING 100 YEARS OF SINGAPORE CUSTOMS FOR TRADE 2020

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INTEGRITY.

'OUR CHALLENGE TODAY IS TO MAINTAIN A REGULATORY SYSTEM
THAT IS ABLE TO ADAPT QUICKLY TO THE CHANGING DYNAMICS
OF INTERNATIONAL TRADE' – THARMAN SHANMUGARATNAM



COMMITMENT.

SINGAPORE CUSTOMS CAN TRACE ITS ROOTS TO 1910 WHEN
THE COLONIAL ADMINISTRATION SET UP THE BRITISH GOVERNMENT
MONOPOLIES DEPARTMENT TO COLLECT DUTIES FROM OPIUM, ETC



TEAMWORK.

IN ITS ROLE AS TRADE FACILITATOR, SINGAPORE CUSTOMS
WORKS WITH LOCAL AND INTERNATIONAL PARTNERS
TO PAVE THE WAY FOR BUSINESSES



COURAGE.

ENFORCING THE RULES OF TRADE AND TARIFFS, AND KEEPING
A CLOSE WATCH ON STRATEGIC GOODS AND TECHNOLOGY,
REQUIRES AN EFFECTIVE AND ROBUST SYSTEM



RESPONSIVENESS.

AS SINGAPORE CUSTOMS EMBARKS ON ITS NEXT LAP,
THE ABILITY TO KEEP UP WITH CHANGES WILL ENSURE THAT IT IS
WELL EQUIPPED TO FACE THE CHALLENGES AHEAD

Singapore Customs celebrates its 100th anniversary in January 2010. It has been a tumultuous century, taking our people from transients in a British colony to citizens in their own nation. Our economy has been completely transformed into a modern business and manufacturing hub, among the leaders in Asia.

The agency has itself seen successive makeovers. Established in 1910 to collect duties on opium, alcoholic liquors and spirits, it took on broader responsibilities over the decades.

In April 2003, in response to evolving trade and security imperatives, a reconstituted Singapore Customs brought together trade documentation, trade enforcement and revenue functions from the former Customs and Excise Department and International Enterprise Singapore. Border control functions at the checkpoints, previously performed by the Department, were transferred to the Immigration & Checkpoints Authority. Since then, Customs has expanded its focus, from a border and revenue collection agency to an overall trade regulator, responsible for facilitating and securing trade.

Our challenge today is to maintain an effective and robust regulatory regime that is able to adapt quickly to the changing dynamics of international trade and the growing complexity of supply chains. There is demand for both effective security and control of international supply chains as well as for efficient facilitation of legitimate trade. In both respects, Customs has been at the forefront of international advances.

FOREWORD.

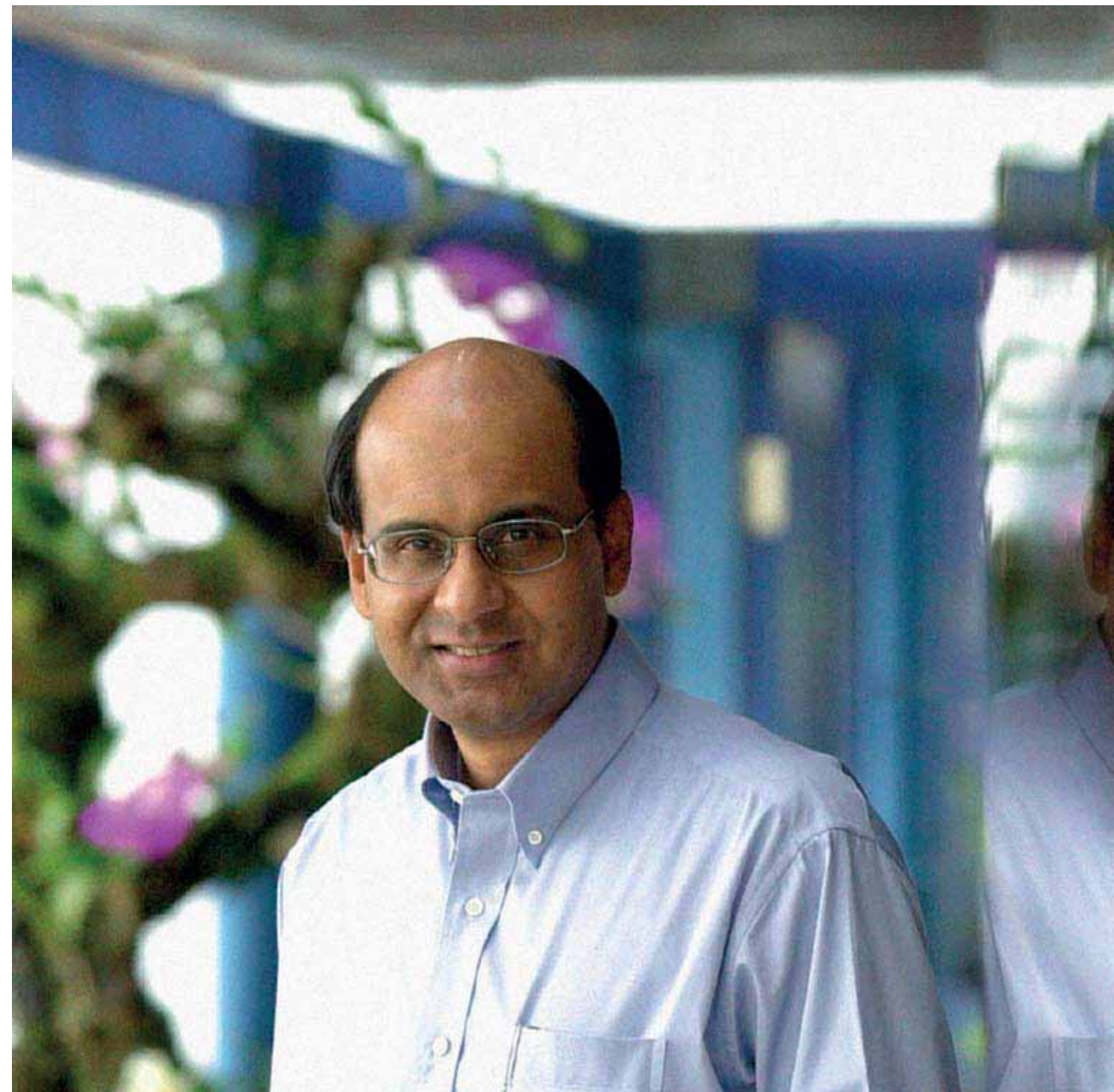
International terrorism remains a real and present danger. In 2007, Customs launched Secure Trade Partnership, Asia's first supply chain security programme. It also played a leadership role in the development of the Apec Trade Recovery Programme and the World Customs Organization Trade Recovery Guidelines to help economies resume normal trading functions quickly, in the event that supply chains are disrupted.

In the area of trade facilitation, Customs has since 1989 been administering the TradeNet system, the world's first national single window for trade declaration. In 2007, the TradeXchange was launched as a neutral and secure platform to facilitate the seamless exchange of information within the trade and logistics community. In addition to having TradeNet as its core application, TradeXchange also has business-to-business applications to enable exchange of information between companies to support their commercial transactions. It enhances Singapore's position

as a logistics and trading hub for Asia-Pacific and opens up new sources of growth.

However, in a globalised world, we have to facilitate customs connectivity across borders for a seamless end-to-end international supply chain. Singapore Customs has implemented the Asean Harmonised Tariff Nomenclature (AHTN), harmonising the tariff classification codes across the region's 10 Member States, and is leading a Task Force to develop the next version of the AHTN. We must persevere in this effort, to keep Asean competitive and relevant to the world.

In addressing all these challenges, Singapore Customs stands out for the integrity of its people and systems. Businesses from all over the world trust us for this reason, above everything else. I congratulate Singapore Customs on its accomplishments and contributions to Singapore's economic development, and I have every confidence in its continued success.



Tharman Shanmugaratnam
MINISTER FOR FINANCE

TRADE DIVISION

Oversees all Customs services for the trading community. Develops and maintains the permit infrastructure and trade regulatory framework. Administers the supply chain security programme and strategic goods control regulation.

Trade Officers **1** Adec Thng and **2** Xavier Tong

COMPLIANCE DIVISION

Conducts compliance checks on trade transactions and audits companies on customs requirements. Conducts investigations on trade cases.

Compliance Officers **3** Muhammad Ridzwan Bin Rahmat and **4** Michelle Chan

CORPORATE DEVELOPMENT DIVISION

Provides key corporate functions to support operations. These include career development and competency building, financial management and corporate communications.

Corporate Communications Officer **5** Patricia Bay

POLICY & PLANNING DIVISION

Focuses on enterprise-wide policy formulation and strategic planning. Analyses and anticipates trends. Oversees Customs' international strategies and technical cooperation.

International Relations Officer **6** Tan Chuan Seng

CHECKPOINT & CORPORATE SERVICES DIVISION

Oversees Customs operations at passenger checkpoints. Taps on IT to enhance work processes and service delivery. Provides organisational administrative and logistics support.

Assistant Checkpoint Services & Investigation Officer **7** Roswati Binte Mustadi

INTELLIGENCE & INVESTIGATION DIVISION

Provides intelligence, investigation, operations management and prosecution functions to enforce customs laws. Manages community engagement to support customs enforcement.

Assistant Suppression & Community Engagement Officer **8** Akbar Khan

PHOTOS: JUSTIN LOH & WINSTON CHIANG

Singapore Customs operates under the Ministry of Finance and is the lead Government agency responsible for customs matters. However, unlike most customs authorities in the world, its primary mission is in trade facilitation.

OFFICERS.



The history of Singapore Customs goes back to the days when Singapore was part of the Straits Settlements under British rule. Drawn to the freewheeling ways of its port and business centre, waves of immigrants descended on Singapore to make their fortune. Comprising mostly Chinese and Indians, these immigrants created a demand for leisure activities that saw the proliferation of opium saloons and toddy shops.

In 1910, the colonial government set up the first precursor of Customs – the British Government Monopolies Department – to collect duties on opium, alcoholic liquors and spirits. By 1932, the demand for chandu or refined opium was so high that the collection of duties from it alone reached \$5.9 million. Around the same time, the Monopolies Department changed its name to Excise Department, then in 1938 to Department of Customs and Excise, or CED, to reflect its focus on duty revenue.

While opium brought in revenue, the darker side of its consumption with links to crime, violence and family breakdown exacted a high

100 YEARS OF SINGAPORE CUSTOMS

social cost. This led to the colonial government banning the import, export, purchase and sale of opium in 1946. The ban, however, did not deter rogue traders from exploring alternative avenues to earn a fast buck. Between 1949 and 1969, other illegal activities including the illicit distilling and smuggling of contraband samsu, a medicinal liquor, kept customs officers busy.

NATIONAL GOALS

Following Independence in 1965, CED's focus was on supporting Singapore's industrialisation efforts and development as an entrepot port. Key initiatives to this end included protective duties to support local industries, and the introduction of Free Trade Zones as a means to facilitate entrepot trade. Customs tariffs were progressively reduced to liberalise trade from 1983 onwards.

The mid-1980s saw CED joining the Government's drive to computerise the Singapore Civil Service. TradeNet, the electronic single window trade facilitation and documentation system, was a momentous occasion for CED

REFLECTIONS

Subramaniam Krishnan

Head, Prosecution Branch, responsible for ensuring the prosecution of all criminal cases investigated by Singapore Customs



PHOTO: NG CHIN SIANG

"I joined the Customs and Excise Department in 1973 fresh out of National Service. My first posting was at the Woodlands Checkpoint.

Two months into my posting, I found myself handling a case of opium-smuggling. On that day, an officer came running to tell me that while checking a car, he had found some packages in the tyre well. But before he could take further action, the driver slammed the boot and sped off. Suspecting that the packages contained opium, I informed the police and two hours later was told that the getaway vehicle had crashed against a lamppost along Woodlands Road.

With my fellow officers, I arrived at the scene, and with the police, conducted a search. We retrieved several slabs of opium and the runaway suspect was placed on the Wanted list. He was subsequently charged and convicted for opium-smuggling.

In my 36-year career at Singapore Customs, I have been posted to more than 20 branches, held several posts and received three National Day awards."

1910

Birth of British Government Monopolies Department by colonial administration to control opium and spirits revenue.



1920s

The evils of opium addiction spread. Collection of duties from opium alone reaches a high of \$5.9 million within 10 years.

1930s



Reliance on duty revenue results in name change to Excise Department, then Department of Customs and Excise (CED).

1940s

Gradual decolonisation after World War II and ban on opium trade increase CED's anti-narcotic efforts. Picture shows Customs officers with seized sacks of opium.



1950s



Cinematography Film Hire Ordinance is introduced. Central Narcotics Intelligence Bureau is set up within CED to coordinate narcotics suppression matters. These functions are transferred to the Central Narcotics Bureau in 1971.

1960s

CED gets its first local Comptroller. Rapid industrialisation and export drive as Singapore gains independence. The first Free Trade Zones, including Telok Ayer Basin (below), are established.



1970s



Push to make Singapore a trading hub. CED becomes a member of the Customs Cooperation Council (now World Customs Organization, logo above) in 1975.

1980s

Debut of TradeNet in 1989; it is the world's first nationwide electronic data interchange system for clearance of trade documentation.



1990s

CED's role in trade facilitation increases. Asean signs agreement on the Common Effective Preferential Tariff Scheme in 1992 to eliminate tariffs and non-tariff barriers in the region, paving the way for the Asean Free Trade Area (AFTA) in 1993. Import GST collection is integrated into Customs' processes.

2000

Singapore signs its first bilateral Free Trade Agreement (FTA) – with New Zealand. This sees the growth of other FTAs and regional economic integrations, triggering greater interconnectivity between customs administrations.

when it was launched by the then Trade Development Board in 1989. Following the success of TradeNet, CED implemented other systems to further facilitate documentation as well as simplify and accelerate trade processes.

Two such initiatives were ACCESS (Advance Clearance for Courier and Express Shipments System), which facilitated the pre-clearance of air express shipments introduced in 1994, and the paperless clearance of containers introduced in 1999.

PROMOTING TRADE

The years leading up to the millennium saw CED taking a proactive stance to promote trade facilitation, working with international and regional forums such as Asean and Apec. It was a landmark development in 1992 when Asean signed the agreement on the Common Effective Preferential Tariff (CEPT) Scheme to eliminate tariffs and non-tariff barriers in the region, paving the way for the Asean Free Trade Area, or AFTA, which came into force in 1993. In 2000, Singapore signed its

first bilateral Free Trade Agreement (FTA) – with New Zealand, on a Closer Economic Partnership.

2003: A LANDMARK YEAR

Singapore Customs or Customs, as we know it today, was formed on 1 April 2003 when the revenue enforcement and trade documentation functions of Customs and Excise Department were brought together with the trade facilitation functions of International Enterprise Singapore. At the same time, checkpoint functions including border controls were transferred to the re-formed Immigration & Checkpoints Authority.

The reconstitution made Customs a single contact point for all customs, revenue and trade matters. A new corporate identity was established, and along with it a shared mission and vision and values reflecting Customs' twin responsibilities in trade facilitation and revenue enforcement.

These organisational changes were the outward manifestation of the start of a more fundamental shift in the Customs mindset. This new

TRIVIA

1 Prior to 1910, before any official regulatory bodies were established, opium farmers used to employ their own private enforcement force known as chintengs, drawn from the ranks of their relatives.

2 Till the 1940s, the highest source of revenue for the British colonial government came from the sale of chandu or refined opium.

orientation, beyond the traditional role of Customs officers, was articulated by then Deputy PM Lee Hsien Loong at the launch of the reconstituted Customs in 2003: "In Singapore, our Customs officers... see themselves as the connectors to help link our economy to the outside world, so that we can participate and benefit from the global economy. This means promoting and facilitating free trade, minimising red tape, paperwork and other non-tariff barriers, but at the same time not neglecting the traditional enforcement objectives, which remain very important."

CUSTOMS TODAY

Today, Singapore Customs continues to thrive on its multi-faceted roles. In a dynamic, complex and increasingly global trading landscape, its functions go beyond being a one-stop trade facilitation hub. As businesses respond to changing market conditions, Customs constantly adjusts its trade facilitation policies and services to cater to the diverse and ever-evolving needs of the trading community.

REFLECTIONS

May Wong

Deputy Head, Corporate Administration Branch, which is involved in sourcing goods and services to meet Customs' operational needs to improve organisational efficiency



PHOTO: NG CHIN SIANG

"Before I stepped into the Customs and Excise Department offices at Maxwell Road in 1969, I had no idea what the customs service was all about. I learned and slowly gained experience on the job.

In 1989, CED made some internal changes – I remember everyone being asked to make suggestions on how we could work together to support these changes.

Personally, my joy and passion for the job only surfaced after working for 20 years. In 1990, I was made deputy head of the then Permits and Manifests Branch. I was required to attend overseas seminars, which broadened my outlook of customs administrations in Asia. I worked hard and gradually my work became my passion.

It was also around that time that I started becoming more active in Customs' activities. For after-office hours, I organised aerobics sessions. Work-wise, I volunteered for the 2006 International Monetary Fund meetings and in the General Elections, among others. I feel it is important to seize the opportunities to gain these experiences while I am still in public service."

2001

Post 9/11, Singapore pushes to be a secure trading hub internationally. This leads to the introduction of Strategic Goods Control in 2003, the Strategic Trade Scheme (a three-tier permit regime for strategic goods) in 2007, and the expansion of strategic goods control list in 2008.

2002

Development of the Asean Harmonised Tariff Nomenclature (AHTN). CED plays a significant role as chair of the AHTN Task Force. This scheme facilitates trade among the 10 Asean member countries through a uniform interpretation in goods classification. Singapore is the first Asean member state to implement the AHTN the following year.

2003



CED is reconstituted to form Singapore Customs, aimed at trade facilitation and revenue enforcement.

2004

Singapore participates in the Kimberley Process Certification Scheme, an international scheme that protects the legitimate diamond industry.

2005

Singapore implements the Asean-China Agreement on Trade in Goods, which formed part of First Asean-plus FTA.

2006



Introduction of Zero GST Warehouse Scheme designed to reduce tax burden on traders.

2007

Singapore Customs launches TradeXchange, an IT platform that connects the trade and logistics community. Secure Trade Partnership, Singapore's national supply chain security programme, is launched.



2008

Implementation of Apex Licence, designed for warehouse operators with diverse business operations.

2009

Singapore Customs leads development of WCO's Trade Recovery Guidelines, to be incorporated into the WCO SAFE Framework of Standards. SDPC cigarette marking is implemented – a world's first.



2010



100th anniversary of Singapore Customs.

1953

Lee Khee YoonDIRECTOR-GENERAL,
CUSTOMS & EXCISE
DEPARTMENT, 1979-1983

1983

"I started work in 1953 when British officers were in the top echelons. There were only five local officers then. Customs work at that time could be divided into two branches: Revenue, concerned with duties on liquors, tobacco and petroleum; and Preventive Operations, authorised to interdict raw opium, gold (which was then subject to foreign exchange regulations), contraband cigarettes and liquors.

CED was Malayanised in the early 1960s. Mr Tan Soo Chye,



its first local Comptroller, was an outstanding administrator. During his tenure, the official vision was to have a common market with the Federation of Malaya.

CED amended the Customs Act to provide for the imposition of customs duties on goods other than the three traditional items. Plans were also made to create a Free Trade Zone within the precincts of the Port of Singapore Authority to preserve entrepot trade.

When Singapore became part of

Malaysia, the Kuala Lumpur Finance Minister imposed a tax on sugar and extended the tariff to diesel oil, fuel oil and lubricants.

Under the terms of merger, we had to apportion 40 per cent of customs revenue to KL and we had no power to levy customs duties. The day we separated from Malaysia in 1965, we reclaimed this right by imposing a protective duty on locally made tyres.

After separation from Malaysia, Singapore nurtured local industries

by providing tariff protection. From then on, there was a non-stop series of protective duties until about five years later, when the Government decided to reduce tariffs to promote trade, and so the protective wall came tumbling down.

As Singapore was an independent nation, it was deemed appropriate for CED to be a member of the Customs Cooperation Council in Brussels, so we could keep in touch with customs international affairs."

THEY MADE A DIFFERENCE

EACH DIRECTOR-GENERAL FACED DIFFERENT CHALLENGES. WE SPEAK TO THREE MEN WHO LED THE SINGAPORE CUSTOMS TEAM AT VARIOUS STAGES OF THE AGENCY'S GROWTH.

"When I first started in 1956, the emphasis was on revenue collection and revenue protection. Trade has all along been significant for Singapore but the focus on the facilitation of trade at Customs only started after Independence.

The main change when we started to push trade was that we looked into the export of locally manufactured goods, getting preference for these goods and

1956

K P SandrasegaraDIRECTOR-GENERAL,
CUSTOMS & EXCISE
DEPARTMENT, 1985-1988

1988



trying to find markets for them. We set up Free Trade Zones where traders could repack goods – both imported and locally manufactured – and proceed to re-export them without Customs' interference.

Of course, the Trade Development Board took the lead in facilitating trade while Customs' role was mainly to protect revenue. So there was this difference there, but we also realised that trade was

very important and we were always prepared to compromise, so long as we could still manage to protect the revenue.

One of the highlights of my career was when I led the Customs' delegation on the Asean Customs study tour. This involved a group of three from each Asean country. We went to the Philippines, Indonesia, Malaysia, Thailand and Singapore.

Feasibility studies on

computerisation and the facilitation of documentation were conducted during my last few years at Customs. However, the actual implementation of computerisation only started after I left.

I think Customs has made good progress over the years and I am sure they will continue to progress. You have better educated officers today and I'm sure they are as dedicated as their predecessors."

"After the events of September 11, 2001, there was an urgency to beef up security. So all the Government agencies got together to look more deeply into some of these issues and finally, a decision was taken sometime in 2002 to re-organise all the agencies.

The checkpoint functions went to the re-formed Immigration & Checkpoints Authority which looked at all the border functions

to optimise and secure the borders properly. At the same time, we formed Singapore Customs together with some of the divisions in charge of trade facilitation from International Enterprise Singapore.

This move created a single agency responsible not just for trade regulation but also facilitation, helping businesses navigate the regulatory requirements that we have. Trade volumes were going up,



2001

Ng How YueDIRECTOR-GENERAL,
SINGAPORE CUSTOMS, 2003-2004

2004

so we needed to make sure trade flows were smooth. Singapore Customs also has a vital role on the trade enforcement front, pertaining to Free Trade Agreements and strategic goods, to make sure that dangerous goods do not come into Singapore. The reconstitution of Customs allowed a single agency to look after all the functions at each point of this trade chain.

We envisioned an organisation

with which all the new officers could identify. So we brought everybody into the process of determining how the new Customs should work and look. Their inputs helped shape many aspects of our identity: our vision and mission, uniform, crest design and organisational structure. I believe bringing in everyone encouraged them to put in their best for the new organisation."

Over the years, Singapore has leveraged its strategic location and excellent connectivity to position itself as a global trade hub. These attributes and its capabilities as a logistics and services centre have resulted in more traders from all over the world using Singapore as a springboard to reach the dynamic markets of an emerging Asia.

Keeping in step with these demands, Singapore Customs has been busy transforming itself to

support the local trading community as a valued partner. In addition, Customs has recognised the need to come together with other nations to meet common goals, such as facilitating cross-border movement of goods and strengthening supply chain security. As Customs' Director-General Fong Yong Kian says: "We regulate trade with a clear end in mind – to enable trade to flow quickly and smoothly in, out and through Singapore."

TRADE MADE EASY



FACILITATING TRADE

TradeNet

TradeNet cuts down unnecessary paperwork when traders submit permit applications to Government agencies. This initiative to transact with the Whole-of-Government electronically involved more than 15 agencies and organisations. Started in 1989 and upgraded in 2007 to version 4.0, TradeNet offers an extensive suite of services. Other than declaration of imports and exports, traders can also amend permit details, cancel unused permits and submit claims for the refund of duty and GST erroneously paid, making it a one-stop solution for Government-related transactions. TradeNet 4.0 has enabled businesses to

save almost \$4 million a year from reduced trade declaration fees.

TradeXchange

TradeXchange connects traders to commercial and regulatory systems in other countries. This enables overseas service providers to offer end-to-end services which benefit shippers, logistics service providers, carriers, freight forwarders and financial institutions. TradeXchange also offers trade documentation preparation, supply chain management, trade finance and insurance. This single point of access allows traders to enter the data once and reuse it subsequently. Currently Customs is working with IDA and EDB to promote the adoption of TradeXchange services.

Customised solutions

Singapore Customs understands that there is no “one-size-fits-all” solution for the different needs of the trading community. In view of this, the agency has rolled out customised solutions such as FreePort. This secured storage facility allows high value collectibles, for example artworks, to be stored with duty or GST suspended, making it attractive for art dealers and thereby helping Singapore to grow as an arts hub. Yet another customised solution is the exemption of duty and GST on wines used for sampling at the trade fairs approved by Singapore Tourism Board. By helping these wine traders to contain their business costs, Customs is boosting Singapore’s wine trade.

SECURING SUPPLY CHAIN

Supply chain security is of prime importance given today’s security climate. To ensure that Singapore stays a secure and trusted node in the global supply chain, Customs has put several measures in place.

Secure Trade Partnership

Customs believes that security should be a shared responsibility across all nodes in the supply chain. The Secure Trade Partnership (STP), a national supply chain security programme, requires companies wishing to be certified under this programme to follow set standards of security measures. At the same time, a significant level of flexibility is given to accommodate different business practices and

norms. For traders, a secure system not only reduces theft and losses in day-to-day operations but also leads to better inventory management and, in the long run, creates value for businesses.

Mutual recognition

The global dimension of the supply chain requires close international collaboration. Mutual recognition of supply chain security programmes and customs controls with key trading partners will connect Singapore to the international network of secured supply chains. Goods would be cleared faster and inspections would be reduced for Customs’ certified businesses. Singapore is currently engaged in mutual recognition discussions with its key trading partners.

In the event of disruption

The ability to quickly bring trade flows back to normalcy, in the event that international movement of goods is disrupted, is important. In 2007, Customs and the Ministry of Transport led 10 Apec member economies to develop the Apec Trade Recovery Programme (TRP). Subsequently a TRP pilot exercise was conducted in 2009 to validate the Apec TRP Guidelines.

Singapore Customs also chaired a World Customs Organization (WCO) Working Group to develop a set of trade recovery guidelines. The Apec and WCO guidelines will enable Customs to work with other customs administrations to develop plans and mechanisms to be prepared for actual trade recovery situations.



Friendly schemes for businesses Greater flexibility, substantial savings

Singapore Customs has a number of schemes that help to reduce costs for businesses. Known as tax suspension schemes, they are adopted by traders to enhance their competitiveness. Here are three of the most widely used of these schemes:

Temporary Import Scheme

This scheme provides for the import of goods (except liquor and tobacco) for repairs and other approved purposes without paying duty and/or GST. Goods include those used in stage performances and special events, and for testing and demonstration. To enjoy this scheme, goods must be re-exported within three months from the date of their importation.

Licensed Warehouse Scheme

The licensed warehouse is a designated area approved and licensed by Customs for the storage of imported dutiable goods without the need to pay duty and GST until such time when they are

released for local consumption. The dutiable goods include liquor, tobacco, motor vehicles and petroleum. Duty and GST are not payable when the goods are exported.

Zero GST Warehouse Scheme

This scheme provides for companies who wish to suspend GST on their imported non-dutiable goods. Three categories of licences with varying degrees of facilitation and flexibility are available under the scheme. The highest tier of licensees can move goods freely between Zero GST warehouse locations. GST is payable only when the goods are released for local consumption.

International trading partners Breaking down barriers between friendly nations

Singapore Customs is proactively involved with key international trading partners to improve cross-border inter-connectivity and break down customs chokepoints.

Significant tariff reductions have already been achieved in the past few decades through bilateral, regional and multilateral trade agreements. Customs now plays an active role in negotiating Singapore’s Free Trade Agreements, led by the Ministry of Trade & Industry, with countries all over the world.

Customs also supports and takes part in regional forums and initiatives. For example, the Apec Sub-Committee on Customs Procedures, which Singapore

Customs chaired in 2009, is working with the Market Access Group to make it easier for businesses to avail themselves of the preferential tariffs under various regional trade agreements. For Customs, there will be more customs link-ups with other Asean member states.

Asean Customs Transit System (ACTS)

which is now being developed, will provide a regional customs procedure for goods to move across multiple Asean member states under a single customs document and single guarantee, as opposed to multiple national procedures in all the transiting countries.

Asean Harmonised Tariff Nomenclature (AHTN) allows for the same commodity to have the same tariff classification code in all 10 Asean member states. Singapore Customs is currently leading an AHTN Task Force to develop the next version of the AHTN.

Asean Economic Community (AEC) Blueprint

will see Customs and other Asean customs administrations involved in the elimination of tariffs and non-tariff barriers, the simplification of rules of origin, trade facilitation, customs integration and implementation of the Asean single window.



PHOTO: JUSTIN LOH

When TradeNet was launched in 1989, it significantly reduced the turnaround time for the preparation, submission and processing of trade documents. What took two to four days now takes an average of just 10 minutes. We talk to a TradeNet pioneer and a Customs staff involved in its subsequent upgrade.

TRADENET IN ACTION

TRACING THE DEVELOPMENT AND PROGRESS
OF THE ELECTRONIC WONDER THAT MAKES
PAPERWORK A THING OF THE PAST

Pearleen Chan
launched Singapore Network Services, which developed and operated TradeNet. She is currently Senior Director, IDA International.

"I was working at the National Computer Board in the mid-1980s when the concept of a single electronic window for trade documentation across all the relevant Government agencies was mooted. I was asked to set up Singapore Network Services to develop and operate what is now TradeNet.

Those were exciting, challenging days. Our staff of five worked with the Japanese to build the entire system from scratch.

There were no standards, no legacy, no blueprint – remember, we were pushing to do

all these things in an environment where the underlying technological infrastructure and know-how was unlike what we enjoy today. It was very hard work, but we were all proud to be part of a dramatic change in Singapore's trade system.

Once our system was up and running, things were smooth all the way. The system was supported by a call centre, which guaranteed a response within two hours. Our helpline received all kinds of requests for help in those early days; some companies even needed instructions on how to switch on their printers!

More than 20 years on, TradeNet is still a groundbreaking concept the world wants to emulate. That alone is a reason to be proud of being associated with its development."

Karen Lim
led her staff at the Procedures & Processing Branch of Singapore Customs in the development of TradeNet version 4.0.

"We were planning new services for TradeNet 4.0 when the reconstitution of Singapore Customs made it urgent for us to merge the requirements of the then Customs & Excise Department and International Enterprise Singapore. However, offering new user-friendly services to the trade remained a priority for us.

We started with just four of us brainstorming the initial concept. But by the time we got to the testing phase, there were about 20 of us in the core team, not counting our IT colleagues and vendors, and many other colleagues that were involved in the various

down-stream systems that were impacted by the changes in TradeNet.

Feedback has been positive. Traders appreciate the array of new services they can now access through the system anytime, anywhere. Our internal users also like the way business changes can be incorporated much more quickly now.

Looking to the future, we hope to roll out new services like mobile alerts and simple mobile applications soon. We are also exploring various new trade facilitation initiatives that will complement our Trade Engagement and Facilitation Framework.

Despite the initial challenges, I would like to think that the entire team should be very proud of this very major upgrade that we have brought to the trade."

Fast Facts about TradeNet

0.1

In the early 1980s, the various Government agencies were processing about 2.5 million trade declarations each year. Traders had to submit multiple forms and sets of documents to the various agencies – approval took an average of two to four days.

0.2

TradeNet made its debut in 1989 as the world's first nationwide electronic data interchange (EDI) system for clearance of trade documentation. With TradeNet, traders could submit a single form through a single interface to all the relevant agencies.

0.3

Today, TradeNet handles almost 10 million permits a year and processes 90 per cent of the declarations within 10 minutes.

0.4

TradeNet is available 24 hours a day, seven days a week. The fee for each TradeNet declaration today is \$2.88, down from \$6.40 when the system was first implemented in 1989.

THE RIGHT TO PROTECT

A MATTER OF SECURITY

Singapore has in place effective export controls to prevent the proliferation of weapons of mass destruction (WMD). But continued vigilance is essential. Encouraged by strong growth in Asian nations, businesses from the developed world are increasingly transferring their operations to Asia. Hence it is now producing and trading in more dual-use items and technologies that could be used for WMD.

One example is the chemical compound triethanolamine or TEA. This seemingly innocuous liquid is used as a stabiliser in all kinds of products such as cosmetics and shampoo. However, it can also be used in the production of nitrogen mustard, a blistering agent that causes severe pain and irritation.

Since 1 January 2008, Singapore has expanded its

Strategic Goods Control List to include dual-use items in the four international export control regimes, namely the Nuclear Suppliers Group, Wassenaar Arrangement, Missile Technology Control Regime and the Australia Group.

There is another problem aside from the social and economic impact from any terrorist attack. With supply chains becoming more complex, international trade has also become increasingly vulnerable to disruptions arising from security breaches.

As one of the world's most open and global economies, any major disruption to international trade would have devastating repercussions for Singapore. Likewise, any security breaches would seriously harm its reputation as a trusted global trade hub, built painstakingly over the years.

Singapore Customs' public outreach programmes for traders educate them on compliance with trade regulations. Programmes for the general public touch on customs laws and regulations, including the prohibition of contraband items such as cigarettes.

CASE STUDY

Brokering in strategic goods without authorisation

On 11 October 2006, a Singaporean was found guilty and convicted for abetting the unauthorised brokering of 20,000 rifles. He was sentenced to 18 months' jail in November 2007.

Singapore Customs' investigations revealed that between May to September 2005, the man, who was not a registered broker with Singapore Customs,



arranged for the procurement of the rifles, valued at US\$3,400,000, from a Bulgaria supplier to Syria. He was subsequently charged in the Subordinate Courts for abetting the brokering of strategic goods in violation of the Strategic Goods (Control) Act.

Under the Act, which has been in force since January 2003 to regulate the transfer of strategic goods, anyone who wishes to broker in conventional arms and explosives is required to be registered with Singapore Customs. Any unauthorised brokering activities involving such goods is a violation of the Act and offenders stand to face severe penalties of heavy fines or imprisonment.

FOR HEALTH'S SAKE

As part of the national social objective to curb smoking, the Government imposes high duties on cigarettes. However, this objective is undermined if duty-unpaid tobacco and cigarettes could be smuggled in easily, making cheap illegal cigarettes easily available.

Singapore Customs works with other Government enforcement agencies to mount sophisticated



counter operations in response to the increasingly diverse methods used by cigarette smugglers. The following are some examples of methods employed to smuggle in contraband cigarettes.

- concealed within hollowed-out drums (left)
- concealed in the hollow cavity of decorative Roman columns
- layered between live prawns in crates of seafood
- hidden between concrete slabs
- rolled inside rubber sheets
- laid out in empty coffins
- filled into the metal arm of an excavator
- slid under bamboo poles



OFFICERS FROM I & I DIVISION PHOTOGRAPHED BY NG CHIN SIANG AT PSA SINGAPORE TERMINALS



ENSURING SECURE TRADE

Trade Security

- Strategic Goods and Chemical Weapons Control
- UN Trade Sanctions
- Supply Chain Security
- Trade Recovery Programme

MAINTAINING TRADE INTEGRITY

Trade Compliance

- Anti-smuggling
- Fraud Investigation
- Compliance
- Revenue Protection
- Intellectual Property Rights Border Enforcement

CASE STUDIES

A level playing field

As a prime facilitator of trade, Singapore Customs has the responsibility to protect legitimate traders and prosecute errant ones who evade duties. This is to ensure a level playing field for all traders and protect the integrity of the trading system.

1 Evaded duties

Operation Drunken Master 2 revolved around a consignment of liquor meant for export to a neighbouring country and therefore exempt from local alcohol duties. Instead of exporting the liquor, the syndicate involved in the scam diverted it to various local storage facilities where the drinks were switched with empty liquor and mineral water bottles. The duty-unpaid liquor then entered the local market, where it was sold to retailers, entertainment clubs and other outlets, thus evading the payment of liquor duties and GST. Meanwhile, the switched cargo masquerading as genuine liquor made its way to the Free Trade Zone for export. In the operations, the illegal goods seized by Singapore



Customs consisted of 17,873 bottles of liquor and wines, and 1,604 cans of beer. The total amount of duties and GST involved was close to \$400,000. At least 10 Singaporeans were involved. In addition, two vans and one lorry – all Singapore-registered – were seized, together with personal computers, notebooks and external hard-disks, among other things.

A MATTER OF INTEGRITY

Singapore's trade volume, which stood at \$500 billion in 2003, grew to \$928 billion in 2008. Over the same period, the revenue collected through duties and taxes grew from \$4.5 billion to \$7.5 billion. This growth is not without its challenges. Globalisation has led to the interlink of many economies and businesses. As the sourcing, production and distribution of goods become more complex and sophisticated, smuggling and fraudulent activities present unprecedented obstacles to revenue protection. In addition, driven by illegal profits, dishonest traders try to circumvent Singapore's custom duty and GST legislation through varied and sometimes ingenious schemes. Revenue protection aside, as the regulator of Singapore's trading system, Singapore Customs' key role is to ensure that international trade flows efficiently within a system of rules, laws and regulations so that Singapore remains a trusted global trade hub. Customs' regulatory functions run from post-clearance checks,



risk assessment, intelligence, investigations and prosecution to community engagement and public education. The agency also takes a Whole-of-Government approach in enforcement. Working hand-in-glove with Customs to take perpetrators to task are the Immigration & Checkpoints Authority, Singapore Police Force and Inland Revenue Authority of Singapore, among others. As well as protecting traders, there are obvious law and order and security dimensions posed by the threat of contrabands. If smugglers and traffickers could bring into Singapore huge quantities of contraband cigarettes, for example,

then potentially they could also bring in explosive precursors. By shutting down conduits for trafficking and smuggling, Customs is therefore enhancing Singapore's homeland security. Looking forward, Singapore Customs will continue to strengthen its enforcement capabilities to achieve optimal performance. As a major transshipment hub, effective risk assessment and intelligence will allow Customs to focus its efforts on preventing and deterring the small number of errant traders and smugglers, leaving the vast majority of legitimate traders to go about their business without regulatory hindrance.

2 Under-declared values

In July 2006, a local car importer was fined \$10.8 million or, in default, 354 weeks of imprisonment, for the fraudulent evasion of duty and taxes on car imports from Japan. The importer was subsequently also sentenced to 42 months' imprisonment for furnishing false information to Singapore Customs officers on car imports from the United Kingdom. His modus operandi? He gave instructions to his Japanese suppliers to indicate lower values in the commercial invoices for over 2,500 cars. He then submitted false values for customs declaration purposes when importing the cars, thus evading the full payment of duty and GST. Investigations by Customs later



revealed that he colluded with another dealer and a British supplier to under-declare the value of 10 Porsches imported from the UK. On average, the Japanese cars were each under-declared by about \$3,000, while the value declared on the Porsches imported from the UK was half the actual value. The total duty and GST involved for the 2,556 cars amounted to over \$2.5 million.

3 Brought in counterfeits

Singapore's Intellectual Property Rights (IPR) legislation provides for Singapore Customs to interdict IPR-infringing goods at our borders. Typically, the counterfeit goods are brought to Customs' attention via tip-offs or through the lodgement of a notice by the relevant brand owners. In a case involving counterfeit copies of branded sports shoes, the brand owner lodged a notice with Customs, which subsequently took action to seize a 40-foot container filled with counterfeit shoes valued at \$202,000. The seized goods were handed over to the brand owner, which filed a civil suit against the consignee. Both parties eventually reached a private settlement before the case went to court.



PHOTO: NG CHIN SIANG

INSIGHTS FROM THE HEAD OF SINGAPORE CUSTOMS, DIRECTOR-GENERAL FONG YONG KIAN

"Over the years, Singapore Customs' mandate has expanded due to globalisation and trade liberalisation. We are also mindful of the increasing complexity of the trade supply chain, the rising threat of terrorism and transnational crimes. With these developments, it is no longer enough for Customs officers to perform the traditional roles of revenue collection and border goods inspection.

As our role becomes more complex, we now need specialists with the necessary industry knowledge and depth of expertise. This is particularly helpful in core operations such as supply chain

security and investigative work. At the same time, our officers need to have a healthy balance between this specialist knowledge and a broad-based understanding of our strategic operating domains.

A collaborative mindset is essential, as we increasingly deal with issues that cut across several domains. Supply chain security, for instance, is an area that involves trade, compliance and international relations.

This means working across branches within Customs as well as with other working partners beyond our agency and, where necessary, outside Singapore.

We strongly encourage our Customs officers to adopt a Whole-of-Government mindset and consider the security, economic and social dimensions of our work, and to regard other agencies as stakeholders and partners.

Ultimately, the desired outcome of our work at Customs is to fully support Singapore's role as a global trade, logistics and cargo hub. The bonus is that as we actively share knowledge through cross-branch interactions, it will also unleash innovative ideas and a fresh, out-of-the-box mental attitude."

NEXT LAP

THE PEOPLE FACTOR

What being a Customs officer means to us

Anticipating changes and adapting with swift responses

Ooi Chia Miin

Head of Policy & Research Branch

"What is most compelling about a career at Singapore Customs is the multi-dimensional aspect of customs work, which impacts a wide policy spectrum from economic and security to social issues. The nature of the work is also wide-ranging – business advisory and customer service, analysis and investigation, field enforcement and community involvement, policy development and planning... the list goes on. Customs offers ample

opportunities for everybody. As Customs officers operating in an increasingly complex environment, we will need to have greater capacity in anticipating changes and adapting with swift responses. The Policy & Research Branch has been working on the next five-year plan – Customs 2015 (see pullout). While we cannot foretell what is to come, we hope the plans will provide us with a better footing as we venture into uncharted territory."

Being friendly but firm

Roswati Binte Mustadi

Assistant Checkpoint Services & Investigation Officer; 2009 winner, Distinguished Star Service Award

"As a frontline Customs officer at the airport, my duties involve endorsing GST refund forms, collecting taxes or fines and endorsing customs permits for arriving passengers. Things can get very hectic and we may face difficult passengers, but it is very important to maintain a friendly tone and the right body language throughout the interaction with the passenger."

Helping our customers

Tan Wee Loon

Senior Trade Officer and part-time trainer on customs classification

"I conduct courses on Harmonised System classification, which deals with categorising goods into specific codes, for traders, other Government agencies and even my colleagues. It is interesting when course mates share their different experiences on customs issues, and as trainers we are happy to help them solve any problems. Like my fellow trainers, my role as a trainer is on a part-time basis. We enjoy this different aspect of Customs work and the chance to meet our trade customers."

Creating a sense of belonging

Angie Teo

Deputy Head of Risk Assessment Branch and Vice-President of Customs Recreation Club

"Customs officers have quite a packed recreational menu. In the early days, it was tea dances and weekend socials where singles would meet. Today, the Customs Recreation Club holds sports clinics for diving, golf, aqua aerobics and qi gong. We also hold sports tournaments for officers who play competitively and have formed a marathon team to encourage officers to adopt a healthier lifestyle.

Apart from the Customs Recreation Club, the Customs Staff Well Being Committee also

has in place programmes aimed at promoting staff bonding and well-being. This includes springing pleasant surprises on officers with spontaneous treats like ice cream on a hot day and launching Wellness 360!, an annual fitness and healthy lifestyle campaign.

There are also work-life initiatives such as Bring Your Child to Work Day, where the children and grandchildren of staff are welcome at the office. All these activities are designed to create an impact and to continue the Customs family legacy."

1 Football devotee
Adec Thng and
2 Taekwondo black belt
holder Xavier Tong

3 Muhammad Ridzwan
Bin Rahmat and
4 Michelle Chan, of the
Singapore Customs
marathon team

5 Scuba diving
enthusiast Patricia Bay

6 Travel buff
Tan Chuan Seng

7 Wife and mother
of three, Roswati
Binte Mustadi

8 Keen badminton
player Akbar Khan

PHOTOS: JUSTIN LOH & WINSTON CHUANG

“Although we have diverse roles, yet in that diversity we are unified through a common mission of being guardians of trade and a common ‘Singapore Customs DNA’. I believe that work should be engaging for all Customs officers so they feel they are growing, professionally and personally. If there are urgent matters that we need to address, then certainly we expect all hands on deck. Apart from that, we want to make sure our people are not overstretched. It is important they lead happy, balanced lives with enough time for themselves and their families. This way, all our officers can look forward to coming in to work every morning.”
Fong Yong Kian, Director-General, Singapore Customs

CITIZENS.



LOOKING AHEAD: CUSTOMS

2015

CUSTOMS 2015 IS SINGAPORE CUSTOMS' OUTLOOK ON KEY TRENDS AND DEVELOPMENTS IN THE OPERATING ENVIRONMENT AND OUR APPROACHES TOWARDS MEETING THE CHALLENGES ARISING FROM A FAST-CHANGING LANDSCAPE.

Changing Role of Customs The role of customs administrations has been rapidly evolving. It is no longer sufficient for customs to perform the traditional roles of revenue collection and border inspection. With globalisation, the mandate for customs has expanded due to the dynamics of international trade liberalisation, terrorism, environmental concerns and other threats to the well-being of nations. Around the world, customs administrations have also recognised the need to collaborate with one another and with the business community to achieve common economic, security and social goals.

Singapore Customs was re-constituted on 1 April 2003 to bring together all trade-related regulations, documentations and enforcement under one agency. Since then, it has evolved into an agency overseeing all international trade, customs and regulatory matters.

As the single customs and trade regulatory agency in Singapore, Customs plays a proactive role in balancing the intricate requirements of trade facilitation, security and regulatory compliance to support Singapore as a global trade hub. We believe that trade can best be facilitated by setting in place a trusted regulatory regime that ensures fair play for all parties. Our strategies towards facilitation, compliance and security are complementary to each other and aim to provide a conducive environment where trade can flow seamlessly, with businesses having confidence that trading in and through Singapore is quick, reliable and fair.

STRATEGIC THRUST

01

Fostering International Customs Partnerships to Enhance Trade Facilitation

As the world emerges from the economic crisis, nations and regional economic groupings are expected to renew their efforts to free up trade to stimulate economic growth. We expect that the drive towards free trade would also bring more attention globally on trade facilitation issues. As significant tariff reductions are progressively being realised through multilateral trade negotiations and regional trade agreements, trade facilitation – of which customs is a key component – will become increasingly important for global trade to grow.

Singapore needs to further strengthen its integration with the global economy to ensure continuous well-being and growth. Singapore Customs believes that it will no longer be sufficient to focus only on improving customs and trade procedures within the country. Our efforts at trade facilitation will have to extend beyond our shores to help traders enjoy the same ease when moving their goods in and out of trading-partner countries. We will do this through partnerships with other customs administrations to remove customs chokepoints and enhance supply chain connectivity.

Purposeful international engagements

Regional and international forums such as Apec, Asean, World Trade Organisation (WTO) and World Customs Organization (WCO) are actively pursuing the trade facilitation agenda. At the same time, economic integration is fast gaining momentum in the Asia-Pacific region, as evidenced by the discussions on mega

trade pacts such as East Asia Free Trade Area, Comprehensive Economic Partnership in East Asia and Free Trade Area of the Asia-Pacific. As the subject-matter expert on customs procedures, rules of origin and tariff nomenclature, Singapore Customs will participate actively in these discussions to help shape the future economic architecture of the region. We will also pursue specific initiatives with other customs administrations to achieve near-term trade facilitation outcomes, such as simplifying rules of origin procedures so that businesses can more easily avail themselves of preferential tariffs offered by free trade agreements.

Customs integration in Asean

Asean is of paramount importance to Singapore given its proximity and its economic potential. Asean has to quicken its pace towards economic integration to stay competitive and benefit from the economic growth of Asia by shaping an attractive environment for investors, where goods and services can be value-added and enjoy ease of movement within Asean and with its trading partners. Singapore Customs will play its part in enabling greater customs link-up in Asean to support the realisation of the Asean Economic Community by 2015. We will play a leading role in key Asean customs projects, including the Asean Harmonised Tariff Nomenclature and Asean Customs Transit System.

WTO trade facilitation negotiations

The WTO has extended its focus on trade liberalisation to include trade facilitation, and negotiation for a trade facilitation agreement is taking place as part of the Doha Round. Singapore Customs views this as a timely development and will participate actively in

the WTO trade facilitation negotiations to ensure that meaningful provisions which will expedite the movement, release and clearance of goods, are incorporated into the eventual agreement.

STRATEGIC THRUST

02

Enhancing the Security and Resilience of the Global Supply Chain

The global security climate of the 21st century is a challenging one, with terrorism being a real and serious threat. Pressure for fast turnaround time and involvement of multiple logistics players pose challenges to customs administrations in maintaining adequate visibility of increasingly complex global supply chains.

As a major trading and transportation hub, it is vital for Singapore to ensure it remains a secure and trusted node in the international supply chain to maintain competitiveness. Singapore believes in a risk-based approach to supply chain security.

Singapore Customs is committed to collaborating with international trading partners in advancing the implementation of the WCO SAFE Framework of Standards, riding on the foundations of our national authorised economic operator (AEO) programme, the Secure Trade Partnership.

International network of secured supply chains

Mutual recognition of AEO status and controls between customs administrations is a critical mechanism to securing the international supply chain, whilst facilitating the clearance of cargo. By reducing duplications in AEO certifications and security controls, mutual recognition arrangements (MRAs) will

help to bring about tangible benefits for AEOs. However, it is inevitable that progress on mutual recognition varies across the globe as countries work to match differing realities with expectations. Singapore Customs will adopt a differentiated approach of having MRAs with different levels of recognition to better accommodate trading partners' varying inclinations towards MRAs, and enable tangible steps to be taken towards reaping the full potential of MRAs.

Security of exports from Singapore

To assure trading partners of the integrity of cargo from Singapore, Customs will be implementing measures such as risk assessment and scanning of export containers and cargo. Being a major transshipment hub, Singapore will need to calibrate the regulation of its free trade zones and transshipment activities for supply chain security purposes, without unduly hampering the ease of trade.

Resilience through the Trade Recovery Programme

The economic cost of a global supply chain collapse, caused by incidents such as a terrorist attack, is extremely high and rises exponentially over the period of disruption. Countries need to establish protocols and mechanisms to bring trade flow back to normalcy, as no preventive measure can be completely foolproof. Having played a leading role in the development of the Apec Trade Recovery Programme and the WCO Trade Recovery Guidelines, Singapore Customs will actively engage other customs administrations to sustain the momentum on trade recovery work, including capacity building and discussing implementation issues.

STRATEGIC THRUST

03

Developing Trade Competitiveness through a Pro-Enterprise and Integrated Trade System

Globalisation and the increasing needs of modern international business exert pressure on customs administrations to process cargo movements efficiently and to minimise delays. As global competition heats up, Singapore Customs needs to develop new competitive advantages through a pro-enterprise and integrated system to help ensure that Singapore remains attractive for businesses to carry out their trading activities here. Customs will develop strategies to engage traders in a holistic manner and support them as they evolve new business models and develop their respective competitive niches.

Single account-based management of traders

Singapore Customs has over time developed various schemes to facilitate different trade processes and fulfil multiple regulatory objectives. For ease of compliance by traders and to satisfy their complex needs, Customs needs to consolidate the various schemes under the umbrella of a holistic framework. Customs' new trade facilitation framework will integrate the regulatory matrices of all schemes. This will enable single account-based management of traders, who will be able to liaise with Customs through a single contact for the full spectrum of their business needs. We will also advise them on the schemes and facilitation available based on their degree of readiness and compliance, and provide customised solutions where required.

Synergies across

Whole-of-Government

The public sees the Government as a single entity. Singapore Customs will explore opportunities to provide greater synergies across Whole-of-Government, for instance, in the areas of information dissemination on trade matters and risk-assessment across different competent authorities concerned with import, export and transshipment of goods.

Integration of trade and logistics processes

Besides the regulatory aspects of trade, Singapore Customs will work closely with Infocomm Development Authority of Singapore, Economic Development Board and SPRING Singapore to facilitate the integration of trade and logistics processes through TradeXchange, to facilitate business-to-business and business-to-government exchange of data and enhance the efficiency and visibility of the supply chain.

STRATEGIC THRUST

04

Protecting our Economy and Society through Enhanced Enforcement

The trading system will continue to be vulnerable to exploitation by criminals and even terrorists. Sophisticated modus operandi engaged by criminals in illegal movements of goods, people and money across borders further widens the range and complexity of risks that have to be managed at the border. Lack of effective controls presents risks to society and can undermine gains that have been made by globalisation and economic integration.

Illegal activities involving international trade range from traditional customs crimes,

such as smuggling of dutiable goods and revenue evasion, to modern-day concerns. These include infringements of intellectual property rights and illegal shipments of substances harmful to the environment, as well as trafficking of goods and technology which could be used for weapons of mass destruction. Singapore Customs will measure up with increased capabilities and sophistication in our enforcement operations and closer international collaboration to maintain the integrity of the trading system.

Strengthen enforcement capabilities

Singapore Customs will develop a wider range of capabilities to stay ahead of the evolving criminality and deal with enforcement challenges beyond revenue protection. We will benchmark against other law enforcement agencies to implement best practices. We will also develop new IT systems and acquire equipment to support our operations. Such enhanced enforcement capability is needed so that we can plug the security loopholes, protect our society and maintain a level playing field for legitimate traders.

International cooperation to combat illicit trade

As trade itself is a transnational activity, international cooperation is essential for effective prevention, investigation and suppression of illegal activities involving the international supply chain. Singapore Customs will strengthen cooperation with foreign authorities to combat illicit diversions and transshipments.

Public buy-in against customs offences

Singapore Customs believes that it is most effective to

use public outreach and publicity to deter the public from committing crimes and engaging the public to help fight crimes. Engaging community stakeholders and increasing public mindshare will continue to be a key pillar in our strategy to bring down customs offences.

STRATEGIC THRUST

05

Growing Singapore Customs through Human Capital Development

As customs roles become more diverse, Singapore Customs needs to equip its officers with the necessary knowledge, mindset, and foresight to thrive in a fast-evolving, competitive and complex environment. They must have the skills and abilities to readily take in new knowledge and develop strategies to deal with the unknown.

Broad and deep knowledge

Given that the issues Singapore Customs faces have become more multi-dimensional, our officers will need a broad-based understanding of our operating domains, in addition to in-depth specialist knowledge, to enable them to function effectively in a complex operating environment. They will also need to strengthen their knowledge on business and industry trends to be able to offer prompt solutions to traders.

Collaborative and system-thinking mindset

A collaborative mindset is essential for a Singapore Customs officer. Border management is an inter-agency matter, and the multi-disciplinary nature of customs

work requires our officers to be astute in engaging other Government agencies to operate on a Whole-of-Government basis and be sensitive to issues outside conventional domains. To the public, we will constantly strive to adopt a customer-centric approach to enhance customers' experience and meet their increasing expectations. At the same time, we need to entrench a system-thinking and process-oriented mindset to ensure that the solutions, processes and knowledge we have developed are transferable and sustainable over time.

Anticipatory and strategic foresight

The Singapore Customs officer of the future must also be well adapted to change-management given the ever-evolving global social, security and economic climate. However, beyond dealing with change, the acceleration of change in a world with greater uncertainties requires officers to develop foresight. Factors that we do not consider threats today might be possible concerns tomorrow. Therefore, we need to develop the capability to anticipate "wildcard" and "black swan" scenarios, so that we can better manage unknowns and be prepared for low-probability but high-impact incidents.

It is the Singapore Customs officer of the future who will carry forward Customs 2015 and strategies beyond. They must have the right mental attitude to think out of the box rather than within comfort zones, and be able to reinvent themselves quickly to remain relevant. It is with this fortitude that Customs would fulfil its mission of supporting Singapore as a global trade hub.

