

# FACTSHEET ON MUTUAL RECOGNITION



## Mutual Recognition

As part of Singapore's efforts to enhance global supply chain security and facilitate the movement of legitimate goods, Singapore Customs seeks to sign Mutual Recognition Arrangements or Agreements (MRA) with our trading partners.

Through MRAs, Singapore Customs and its partner customs administrations would mutually recognise the security requirements and validation process of each other's supply chain security programmes.

## Benefits

Under an MRA, Singapore Customs will recognise certified companies (commonly known as Authorised Economic Operator, in short, AEOs) under the MR partner's supply chain security programme as being of lower risk. The partner customs administration will likewise recognise Singapore's certified companies under the Secure Trade Partnership (STP) programme as being of lower risk. Goods exported to or imported from such companies can thus enjoy a higher level of facilitation at clearance domestically and overseas.

In the event of a major trade disruption, certified companies are likely to be less affected as their cargoes could be facilitated and cleared ahead of others when trade resumes. These companies could therefore better predict the movement of their goods, particularly for time-sensitive shipments, and also enjoy saving in costs which would otherwise be incurred due to delay at the ports.

## Singapore's MR Partners

As of 9 Mar 2015, Singapore has signed MRAs with Canada, Japan, People's Republic of China, Republic of Korea, Taiwan, the United States and Hong Kong, and these MRAs are fully operational.

### Who stands to benefit under Canada-Singapore MRA, China-Singapore MRA, Korea-Singapore MRA and United States-Singapore MRA?

- a) STP-Plus exporters exporting to Canada, China, Korea and the United States
- b) Singapore importers importing from an AEO exporter in Canada, China, Korea and the United States

### Who stands to benefit under Japan-Singapore MRA, Taiwan-Singapore MRA, and Hong Kong-Singapore MRA?

- a) STP-Plus exporters exporting to, Japan, Taiwan, and Hong Kong
- b) Singapore importers importing from an AEO exporter in, Japan, Taiwan, and Hong Kong
- c) STP-Plus importers importing from exporters in, Japan, Taiwan and Hong Kong
- d) Singapore exporters exporting to an AEO importer in, Japan, Taiwan and Hong Kong

## STP and AEO codes

Generally, AEO codes would be issued to AEO importers/exporters by their respective customs administrations so that these codes will be used to identify cargoes from AEO companies both domestically and for MR purposes. In Singapore, all STP and STP-Plus companies are issued with a unique 17-character alphanumeric STP code which is in the form AEOSGXXXXXXXXXXXXXX.

If you have received any AEO codes from Singapore Customs, your customers or MR partner customs administrations, you should keep the codes confidential to only personnel within your company who require it for import and export declarations, and to your declaring agent, if any.

## Detailed Procedures to Enjoy Benefits in Singapore

### a) Importing from an AEO exporter in Canada, China, Japan, Korea, Taiwan, the United States and Hong Kong.

Any Singapore importer (including STP and STP-Plus companies) importing from AEO exporters located in Canada (CA), China (CN), Japan (JP), Korea (KR), Taiwan (TW), the United States (US) and Hong Kong (HK) can obtain the foreign AEO code from their AEO exporters so that the foreign AEO code can be declared in the TradeNet® import permit declarations in the following manner:

Declaration Field in TradeNet®	Information to be Declared
Customs Procedure Code (CPC)	<b>AEO</b>
Processing Code 1 (PC1)	<i>Either CA, CN, JP, KR, TW, US or HK</i>
Processing Code 2 (PC2)	<i>AEO number or C-TPAT number</i>

### b) Exporting to an AEO Importer in Japan, Taiwan and Hong Kong

Any Singapore exporters (including STP and STP-Plus companies) exporting to AEO importers located in Japan, Taiwan, and Hong Kong can obtain the foreign AEO code from their AEO importers so that the foreign AEO code can be declared in the TradeNet® export permit declarations.

Declaration Field in TradeNet®	Information to be Declared
Customs Procedure Code (CPC)	<b>AEO</b>
Processing Code 1 (PC1)	<i>Either JP or TW or HK</i>
Processing Code 2 (PC2)	<i>AEO number</i>

### c) All STP and STP-Plus Importers and Exporters Importing/Exporting from/to All Ports of Origin/Destination

Regardless of origin/destination, local importers and exporters who are STP or STP-Plus certified can declare their STP code in their TradeNet® import and export permit declarations. This is so that shipments from STP or STP-Plus companies can be identified and recognised as lower risk and thus, be accorded with domestic clearance facilitation. This is how the STP code should be entered into TradeNet® for import/export permit declarations:

Declaration Field in TradeNet®	Information to be Declared
Customs Procedure Code (CPC)	<b>AEO</b>
Processing Code 1 (PC1)	<b>SG</b>
Processing Code 2 (PC2)	XXXXXXXXXXXXXX

## Detailed Procedures to Enjoy Benefits in Canada, China, Japan, Korea, Taiwan the United States and Hong Kong for Singapore STP-Plus exporters

For STP-Plus exporters exporting to Canada, China, Japan, Korea and Taiwan, you should provide your **STP code** to your overseas importers so that your overseas importers/brokers can declare your STP code in their import declarations for you to enjoy the MRA benefits. Your overseas importers need not be AEO-certified.

For STP-Plus exporters exporting to the United States, your status as a STP-Plus company will be recognised when your business partner in the United States uses your **MID number** in United States Importer Security Filing and/or Customs Entry. In the event you are not aware of your MID number, please contact your business partner in the United States to obtain the MID number assigned to your company. For first-time exporters to the United States, please contact your business partner(s) in the United States to create a MID number for use in the United States Importer Security Filing and/or Customs Entry. All STP-Plus exporters should inform your Account Manager (from Singapore Customs) of the MID number assigned to your company. Singapore Customs will provide your company's MID number to the United States Customs and Border Protection (US CBP) for the provision of MRA benefits.

For STP-Plus exporters exporting to Hong Kong, you should provide your **Company Name** and **Operating Address** certified under the STP programme to your business partner in Hong Kong

## Summary

The table below outlines the code(s) to be declared in TradeNet<sup>®</sup> *import* and *export* permit declarations\*.

Code(s) needed when:	Importing from		Exporting to		
	CA/CN/JP/KR/TW/US/HK AEO	Non CA/CN/JP/KR/TW/US/HK AEO	CA/CN/KR/US AEO	JP/TW/HK AEO	Non CA/CN/JP/KR/TW/US/HK AEO
STP company	STP code	STP code	STP code	STP code	STP code
	CA/CN/JP/KR/TW/HK AEO code or C-TPAT number	Nil	Nil	JP/TW/HK AEO code	Nil
STP-Plus company	STP code	STP code	STP code	STP code	STP code
	CA/CN/JP/KR/TW AEO code or C-TPAT number	Nil	Nil	JP/TW/HK AEO code	Nil
All other companies	CA/CN/JP/KR/TW AEO code or C-TPAT number	Nil	Nil	JP/TW/HK AEO code	Nil

\*Please note that the TradeNet<sup>®</sup> allows up to 5 occurrences under the CPC, PC1 and PC2 fields.

## Contact Details

For more information on the STP programme or the MRA, please visit the Singapore Customs website at [www.customs.gov.sg](http://www.customs.gov.sg). You may also wish to contact Schemes & Engagement Branch at email [customs\\_schemes@customs.gov.sg](mailto:customs_schemes@customs.gov.sg)

### SINGAPORE CUSTOMS

55 Newton Road #07-01

Revenue House Singapore 307987

Tel: (65) 6251 3027 or (65) 6251 8021

Fax: (65) 6337 9956

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