



Circular No: 09/2019
17 Jun 2019

All Traders, Licensed Warehouse Operators, Declaring Agents, Cargo Agents and Carriers

Dear Sir/Madam

ADVISORY: PREVENTION OF TRANSNATIONAL SMUGGLING OF GOODS BY SEA

Singapore Customs has observed irregularities in export shipments of liquor and tobacco products from Singapore. For example, the goods were declared to Singapore Customs to be destined for one country but were subsequently found to be meant for shipment to another country. In other instances, liquor and tobacco products were described as some other items in the bill of lading. Such irregularities suggest that the goods could be meant for smuggling into another country after they had been exported from Singapore. Singapore Customs do not condone any illicit activities that would tarnish Singapore's reputation as a secure and trusted trade hub.

2 Companies should exercise customer due diligence to prevent themselves from being exploited for illicit activities. Singapore Customs would like to share some best practices that you could take to prevent illicit shipments from Singapore.

- a) Know your customers. Before you prepare any export declaration on behalf of your customer for submission to Singapore Customs, you should verify your customer's identity to enable traceability during audit or investigations.
- b) Verify supporting documents provided by your customers. You should verify the accuracy and authenticity of all the supporting documents given by your customer and seek clarification from your customer when in doubt. Such information or clarification should be sought in writing from your clients. For example, you should check that the exporter to be declared in the export declaration and shipper and consignee named in the bill of lading are valid and legitimate commercial entities.
- c) Decline dubious business. You should refrain from providing services to your customer if the parties involved or the transactions are suspicious. For example, your customer asks you to import liquor and tobacco products into Singapore for the sole purpose of switching the goods into another container and then quickly re-exporting them. Another example is your customer asked you to furnish incorrect goods description in shipping instruction/booking to the shipping agent or carrier.

3 The declaring agent and the exporter are responsible for ensuring all the information furnished in the export declaration is true and correct. Under the Customs Act, anyone found guilty of making or causing to be made any declaration, certificate or other document which is untrue, incorrect or incomplete by omitting any material particular will be liable on the conviction to a fine not exceeding \$10,000, or the equivalent of the amount of the customs duty, excise duty or tax payable, whichever is the greater amount, or to imprisonment for a term not exceeding 12 months, or both. This offence also applies to an exporter or declaring agent who causes a shipping agent or carrier to make a bill of lading which is untrue or incorrect by providing untrue or incorrect particulars to the said agent or carrier.

4 Your attention is also drawn to **Circular No: 10/2015 – Advisory: Combating Terrorism Financing and Proliferation Financing.**

5 Traders who have any information on smuggling activities can call the Singapore Customs hotline on 1800-2330000, email Customs_Intelligence@customs.gov.sg or use the Customs@SG mobile app to report these activities.

Yours faithfully

Wan Boon Oon
Head Company Compliance
for Director-General of Customs
Singapore Customs

(This is a computer-generated circular. No signature is required.)

We hope that this circular has been written in a way that is clear to you. If not, please let us have suggestions on how to improve this circular at customs_intelligence@customs.gov.sg.