

Circular No: 11/2021

01 Oct 2021

All Traders and Declaring Agents

Dear Sir/Madam

CESSATION OF PHYSICAL ENDORSEMENT FOR CARGO CLEARANCE PERMITS (CCPs)

With effect from 1 February 2022, Immigration & Checkpoints Authority (ICA) officers at the cargo checkpoints will cease to manually endorse CCPs presented for clearance at the checkpoints. This applies to all conventional and containerised cargo except for certain permit types stated in paragraph 5 below.

- The cessation of the physical endorsement on CCPs will improve the cargo clearance process at the checkpoints. Drivers will no longer have to wait for the CCPs to be endorsed after they are cleared by ICA officers, and this will reduce the turnaround time for vehicles and cargo passing through the checkpoints. In addition, it will also facilitate the move towards full digitalisation to achieve a seamless and secure cargo clearance experience for both containerised¹ and conventional cargo.
- To help businesses prepare for this change, a 6-month adjustment period till 31 July 2022 will be given to the industry. During these 6 months, drivers may still request for ad-hoc endorsements if required.
- 4 Please therefore use this 6-month adjustment period to review your business arrangements and processes to replace the use of the physical endorsement. A list of FAQs from our engagement with the Industry is attached with this Circular to clarify concerns you may have.

¹ Since 1 Nov 1997, we have successfully implemented the paperless clearance of containerised cargo at the checkpoints. Please refer to Circular No. 28/97, 4/98 and 30/99 for more information.

- 5 Physical endorsement on the CCPs will continue to apply to the following permit types:
 - a) Inward, Outward and Transhipment permits for the movement of cargo through other Authorised Piers and Places²; and
 - b) Inward, Outward and Transhipment permits for the movement of cargo through Customs Airport Passenger Terminals³.

Yours faithfully

Aaron Cheong Head Land Checkpoints & Operations Branch 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_checkpoints@customs.gov.sg.

² Please refer to <u>Customs (Authorised Piers And Places) Regulations</u> for the list of other Authorised Piers and Places (excluding Free Trade Zones).

³ Please refer to <u>Customs (Customs Airports) Regulations</u> for the list of Customs Airport.

Frequently Asked Questions

Q1: Why is there a need to cease the physical endorsement on the Cargo Clearance Permits (CCPs)?

A1: Currently, clearance information is already electronically captured in the system when drivers present a printed copy of the CCP to the ICA officer for clearance at the checkpoint. The physical endorsement on the CCPs at the checkpoints is not a requirement by the Authorities and hence will be discontinued to facilitate the flow of goods at the checkpoints.

Following the cessation, drivers will no longer need to wait for their CCPs to be manually endorsed by ICA officer. If instructed to do so as per the requirements specified in the permit conditions, they will still be required to report to the red lane for clearance, and can drive off after the CCPs are cleared and if no further checks are required by ICA.

Q2: When will the cessation of physical endorsement on the CCPs be implemented?

A2: The cessation of physical endorsement on the CCPs will be implemented with effect from 1 February 2022. To help businesses prepare for this change, a 6-month adjustment period from the date of implementation is given to the industry to make the necessary internal adjustments to meet the implementation timeline. During these 6 months, drivers may request for ad-hoc endorsements if required.

Q3: Do I need to present <u>physical printed</u> copies of the CCPs for endorsement if it is stated in the permit conditions?

e.g. of permit condition "...MUST BE PRODUCED FOR CUSTOMS CLEARANCE/ENDORSEMENT AT ..."

A3: Yes, drivers will still be required to present the physical printed copy of the CCP for clearance.

However, following the cessation, drivers will no longer need to wait for their CCPs to be manually endorsed by an ICA officer. They are still required to report to the red lane for clearance, as per the requirement specified in the permit condition, and can drive off after the CCPs are cleared and if no further checks are required by ICA.

Please note that the scanning of the CCP by ICA officer would fulfil the requirement for Customs endorsement as part of the permit condition.

Q4: Under what circumstances would ICA endorse on the permit?

A4: The CCP is generated from the information submitted and approved in the permit application via TradeNet® and is presented to facilitate cargo clearance at the checkpoints. The clearance records are then captured electronically in our system when the CCP is presented for clearance at the checkpoint. Hence, no further physical endorsement is required to prove that the cargo has been cleared. As such, ICA officers will cease to manually endorse on the CCP.

However, as the permit conditions vary for different permits, we strongly encourage all declarants/ importers/ hauliers to read the permit conditions carefully and comply with them accordingly.

Q5: Today, my company relies on the physical endorsement on the CCP for business to business process (B2B). What should my company do if it is no longer available?

A5: As there is a 6-month adjustment period from the implementation date, your company may take this period to prepare for the implementation by reviewing your business arrangements and processes.

Q6: My company is still in the midst of working with our business partners to review our processes due to the cessation of physical endorsement on CCP. Can ICA consider providing endorsement on the CCP for a longer period of time?

A6: ICA will assess businesses' needs on a case by case basis. The endorsement on CCP can be provided upon the request of companies during the 6 months lead-in period from the implementation date.

Q7: With the removal of physical endorsement on the CCPs, how can I be assured that the cargo clearance information of the CCPs has already been captured in the system?

A7: Please be assured that all cargo clearance information will be captured based on the CCP presented at the checkpoints for clearance. There is no need for drivers to obtain endorsement on the CCP to prove that the cargo/CCPs have been cleared. Should the driver encounter any issues, they should always clarify with the ICA officer immediately on the spot.

Should there be a discrepancy in clearance records, an investigation would be duly conducted by Customs and ICA.

Q8: Is there some form of digital notification or service to enquire on the cargo clearance status once the CCPs are scanned at the checkpoints; and in replacement of the physical endorsement on the CCP for our records?

A8: Similar to the paperless clearance of containerised cargoes at the cargo checkpoints, there is no such value-added service to facilitate business to business requirements.

ICA and Customs will perform our due diligence in investigation should there be any discrepancy in the clearance records.

Q9: Is the cessation of physical endorsement on CCPs applicable to all permit types?

A9: Yes, the cessation of physical endorsement would apply to the clearance of CCPs of all permit types at all ICA Checkpoints except for the permit types stated in paragraph 5 of the circular.

Q10: Is the cessation of physical endorsement on CCPs applicable to both containerised and conventional cargoes?

A10: Since 1997, there has been no requirement for the physical endorsement of CCP for containerised cargo, unless stated otherwise in the permit conditions. This initiative extends the cessation of physical endorsement to CCPs for conventional cargo.

Q11: Is the cessation of physical endorsement on CCP applicable to CCPs under the Temporary Import Scheme (TIS)?

A11: Yes, this applies to CCPs under the TIS with the exception of CCPs being cleared via Changi Airport passenger terminals.

Traders are still required to present and obtain physical endorsement on CCPs under the TIS when importing or re-exporting via the passenger terminal.

Q12: Is the cessation of physical endorsement on CCP applicable to Competent Authority (CA) approved permits?

A12: Yes, the cessation of physical endorsement will be applicable to CA approved permits for controlled goods.

However, existing arrangements with CAs for endorsement on licences and permits issued by them shall remain.

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Q13: Is the cessation of physical endorsement on CCP applicable to intergateway movement of goods which would require 2 endorsements at the IN and OUT checkpoints?

A13: Drivers will still be required to present the physical printed copy of the CCP for clearance.

Following the cessation of physical endorsement on CCPs, drivers will no longer need to wait for their CCPs to be manually endorsed by ICA officer. They are still required to report to the red lane for clearance, as per the requirement specified in the permit condition, and can drive off after the CCPs are cleared and if no further checks are required by ICA.

However, please note that the physical endorsement of CCPs <u>at authorised piers and places</u> will remain unchanged for cargoes with inter-gateway movement until further notice.

Q14: Is the cessation of physical endorsement on CCP applicable to CIDBC consolidated clearance report?

A14: There will be no change to the current cargo clearance flow for the Air Express Companies (AEC). The endorsement on the CIDBC shall remain until further notice.

Q15: Is the cessation of physical endorsement on CCP applicable to the Hand-Carried Export Scheme (HCES), which would require endorsement by Checkpoints officer at the passenger terminal?

A15: For the endorsement of CCPs under the HCES, a scheme administered by IRAS, existing arrangements shall remain until further notice.

Q16: Is the cessation of physical endorsement on CCP applicable to ATA Carnet?

A16: The physical endorsement on ATA Carnet shall remain until further notice.

Q17: Is the cessation of physical endorsement applicable on CCP used in lieu of expired/misplaced ATA Carnet?

A17: The physical endorsement on CCP used in lieu of ATA Carnet shall remain until further notice. Please ensure that the CCP is produced at the Checkpoint for endorsement.

Q18: Will the removal of physical endorsement on the CCPs affect partial clearance of the CCPs?

A18: There is no impact to partial clearance with the removal of physical endorsement on the CCPs. The driver will continue to present the Partial Clearance Slip to the ICA officer, and supporting documents, e.g. Delivery Note, to the ICA officer, that indicates the actual quantity to be brought in.

Drivers/attendants must inform the ICA officer on the quantity being imported/exported before the clearance for the CCP is updated by the officer.

Q19: Will the removal of physical endorsement on the CCPs affect the requirement for Master/ Captain of Vessel, Storekeeper's acknowledgement for the uplifting of sea stores?

A19: As the permit conditions vary for different permits, we strongly encourage all declarants/ importers/ hauliers to read the permit conditions carefully and comply with them accordingly.

There will be no change to the 'A4' permit condition i.e. to obtain acknowledgement from the Master/ Captain of Vessel, Storekeeper for the uplifting of sea stores.

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