

INTRODUCTION OF SINGAPORE CUSTOMS
BY DIRECTOR-GENERAL OF CUSTOMS NG HOW YUE
23 MAY 2003, 4.20 PM, REVENUE HOUSE

1. Good afternoon, Deputy Prime Minister and Minister for Finance Mr Lee Hsien Loong, Permanent Secretary of the Ministry of Finance Mr Lim Siong Guan and distinguished guests.

2. I would like to thank DPM Lee for officiating at the launch of Singapore Customs, and our distinguished guests for taking time off your busy schedules to be here to witness the launch. It gives me great honour to present a brief overview of Singapore Customs, and to tell you about our future focus and plans.

3. Singapore Customs brings together the revenue and trade functions of both Customs & Excise Department and International Enterprise Singapore into a single agency.

Organisation Structure

4. Singapore Customs has just under 500 officers. It is structured into five Divisions.

5. The Trade Division maintains an efficient and facilitative trade documentation system that processes permits, and collects and accounts for Government revenue. It is also responsible for providing advice on the classification and valuation of goods, determination of Rules of Origin for preferential treatment as well as completeness and accuracy of trade statistics.

6. The Operations Division is the department's enforcement and preventive arm. It also runs the Customs stations at the major checkpoints. These Customs stations determine and collect duties and fines, and answer any trade or Customs queries.

7. The Controls Division regulates the licensed and bonded warehouses and premises, as well as provides a credible trade enforcement regime. Singapore Customs also has a Planning Division which drives the department's corporate planning processes and a Corporate Development Division handling personnel, finance, administration and PR matters.

A Smooth Merger

8. The department was formed on 1 Apr 03. Our first concern then had been that traders and travellers would not face problems because of these changes. We had to ensure that the customers of both agencies continue to be provided with the highest level of service. We had to ensure that traders could continue to take up permits and licences in the same convenient way, via electronic means, as well as import and export legitimate goods without hassle.

9. My officers and I have been monitoring the performance of the TradeNet and other systems closely. We have been paying careful attention to calls by traders to the Customs call centre and the QSM line. And I am happy to report that we have run a very smooth operation these last two months. There have been no performance loss, and very few complaints.

10. We were also concerned that smugglers might think that the reorganisation was a good opportunity to bring in illegal or duty-unpaid goods. Hence Customs enforcement officers have kept extra vigilance. I am happy to report that in the last few weeks, Customs officers foiled two major attempts to smuggler duty-unpaid cigarettes into Singapore. The cigarettes in the two cases were valued at \$3.15 million and \$2.4 million respectively. The perpetrators have been arrested and charged in court.

Strong for the Future

11. But it is not enough for Singapore Customs to maintain the current service standards. With the integration of trade regulatory processes within the Department, Singapore Customs must be able to respond faster and more effectively to its customers. We will do three main things – Simplify rules, strengthen enforcement capabilities, and gear up for new trade requirements.

Simplify rules

12. The formation of Singapore Customs means traders now have a one-stop solution-provider for all trade and customs procedures. These include the issuance of permits, licences and Certificates of Origin, and the provision of classification and valuation advice.

13. Singapore Customs will simplify and streamline our trade processes, and remove any unnecessary permit requirements. We will work with other authorities and agencies to simplify the TradeNet system, and explore other ways to use IT to improve efficiency and reduce costs.

Effective Enforcement

14. Concurrently, Singapore Customs will also strengthen its enforcement and preventive capabilities. This is necessary to fulfil our mission to collect and protect Customs revenue and GST. At the same time, effective intelligence and enforcement means that Customs officers can concentrate our efforts to prevent and deter the small number of errant traders and smugglers, while allowing the vast majority of legitimate traders to go about their business without regulatory hindrance.

New Trade Requirements

15. Singapore Customs has been charged with new enforcement and investigation responsibilities mandated by our international obligations in the Free Trade Agreements. These include enforcement on Rules of Origin (ROO) and textiles, and Control of Strategic Goods.

16. Our Free Trade Agreements will attract more foreign investments and open up foreign markets for Singapore's exports. But Singapore must in turn fulfil its international obligations and maintain confidence in our trade system. Singapore Customs will implement a simple and balanced regulatory system, so that trade control does not mean more red-tape and bureaucracy.

To be a World Class Customs service

17. To be able to do all these, Singapore Customs will rely on its most important asset – our people. In the new department, we have people with different domain expertise in customs, revenue and trade matters. We have spent the last two months sharing and pooling our knowledge, and working together to come up with our new Customs mission, vision and values.

18. Customs officers stand ready to take on the challenges ahead. We will work closely with our customers and stakeholders to implement the best possible system for Singapore.

Thank you.