

**WELCOME ADDRESS AT INTERNATIONAL CUSTOMS DAY  
BY MR FONG YONG KIAN, DIRECTOR-GENERAL, SINGAPORE CUSTOMS,  
ON 25 JANUARY 2008, 11.00 AM, SUNTEC CONVENTION CENTRE**

Mrs Lim Hwee Hua,

Minister of State for Finance and Transport

Fellow Colleagues from MOF, ICA and SPF

Ladies and Gentlemen

**Introduction**

1 Good morning everyone. It gives me great pleasure to be here today to celebrate International Customs Day 2008 with you. I would like to extend a warm welcome to our partners from the trade and logistics community.

2 We have with us representatives from 23 partner companies who will be awarded certification under the Secure Trade Partnership Programme and the Strategic Trade Scheme. These companies have demonstrated their dedication and commitment to improve their supply chain security and internal control compliance.

3 I am also happy to welcome our colleagues from Immigration and Checkpoints Authority and Singapore Police Force. Your presence here is testimony that close inter-agency collaboration is necessary to safeguard Singapore against illicit trading and cigarette smuggling.

## **International Customs Day**

4 Each year on 26 January, Customs Administrations all over the world celebrate International Customs Day under the auspices of the World Customs Organisation. Indeed, it is a special day to mark the contributions of Customs authorities.

5 This year, Singapore Customs has decided to celebrate International Customs Day differently by bringing together members of the trading community and our enforcement partners under the theme, “Making Singapore a secure and trusted global trade hub”.

## **Balancing Objectives**

6 Why have we chosen this theme emphasising the need for a secure and trusted global trade hub? Traders today operate in a rapidly changing environment. As the globalization trend continues, traders look for regulatory procedures and practices that can best cater to their diverse needs. In a volatile security climate, they seek a stable and secure system where trade can prosper.

7 In this dynamic environment, Singapore Customs has to be highly effective in both trade facilitation and control. We provide facilitative measures to allow legitimate traders to import and export with ease. At the same time, Singapore Customs has in place an adaptive control system that does not tolerate illicit trade.

8           We need to continuously strike the right balance between facilitation and security so that control measures do not have a negative impact on trade flows and economic development. This delicate task calls for greater emphasis on risk management and the willingness to adopt new paradigms and transformation in the current way of doing things. Two examples I want to highlight today are the Secure Trade Partnership programme and Strategic Trade scheme.

### **The Secure Trade Partnership Programme**

9           The Secure Trade Partnership or STP programme provides companies with a set of supply chain security guidelines on robust security practices which the companies should adopt in order to be STP-certified. However, in recognition of the differences in business practices and environment, the guidelines have been kept suitably flexible. We believe that sound supply chain security measures will enhance the integrity of our trading system.

10          To help businesses enhance their capabilities in securing the supply chain, Singapore Customs is working with EDB and SPRING Singapore on training assistance and capability development programmes. With these schemes, more companies will be encouraged to seek certification under the STP.

### **The Strategic Trade Scheme**

11          Another trade facilitation scheme, the Strategic Trade Scheme or STS in short, is a three-tier permit regime that caters to companies with different levels of capabilities and sophistication in terms of their internal controls. Adopting risk management techniques, the level of facilitation and flexibility granted by Singapore

Customs will be calibrated according to the quality and rigour of the company's internal compliance programme. The scheme encourages companies that are involved in the trading of strategic goods to consider implementing robust internal compliance programmes and enjoy facilitated trading procedures.

### **Experience Sharing by STP and STS-certified companies**

12 Recognising the dual objectives in expediting trade operations and securing trade integrity, Singapore Customs introduced both the STP and STS initiatives in 2007 to ensure that trade security is not compromised, even as we make bold steps in facilitating trade.

13 This morning, two certified partner companies - one from STP and another from the STS scheme, will be sharing with you their perspectives and experiences on securing the supply chain and effective internal control compliance.

### **Enforcing Against Cigarette smuggling**

14 Next, let me mention our enforcement actions against cigarette smuggling. Last year, our enforcement officers had a very busy year as smugglers attempted to flood the market with contraband cigarettes.

15 Enforcement results in terms of arrests of smuggling offenders were a record high last year. We will continue to intensify our enforcement actions against smuggling at the import, storage, distribution and retailing points. We recognise that the public also plays a vital role in curtailing cigarette smuggling. Singapore Customs has therefore started a public awareness campaign to educate them on the adverse

impact of smuggling and the stiff penalties for those involved, including the buyers of contraband cigarettes.

## **Conclusion**

16        We have done well in many areas and I strongly believe we can achieve even more in the year ahead. I would like to thank the companies present here today for giving their full cooperation and support in their participation in the STP and STS initiatives. I would also like to offer my sincere appreciation to our enforcement partners – ICA and SPF. We recognise their invaluable contributions in the fight against cigarette smuggling. The record seizures and arrests would not have been possible without their support and commitment. Lastly and certainly not in the least, I would like to commend our Singapore Customs officers. They deserve a hearty round of applause for their tireless efforts and action against Customs offenders.

17        I wish all of you a pleasant day. Thank you.