



## SINGAPORE CUSTOMS MEDIA RELEASE

### **SINGAPORE AND NEW ZEALAND CUSTOMS SIGN STATEMENT OF INTENT ON MUTUAL RECOGNITION OF THEIR SUPPLY CHAIN SECURITY PROGRAMMES**

Singapore Customs and the New Zealand Customs Service signed a Statement of Intent (SOI) today to work towards mutual recognition of each other's supply chain security programmes in support of global supply chain security.

2 The SOI was signed by Fong Yong Kian, Director-General of Singapore Customs and Martyn Dunne, Comptroller and Chief Executive of the New Zealand Customs Service.

3 Singapore and New Zealand agree to pursue mutual recognition of their respective Secure Trade Partnership (STP) scheme and Secure Exports Scheme (SES). Both are "Authorised Economic Operator" schemes set up under the auspices of the World Customs Organisation Framework of Standards to Secure and Facilitate Global Trade (WCO SAFE Framework).

4 The intention of mutual recognition is to achieve higher end-to-end supply chain security, thereby affording greater facilitation for legitimate trade flows between the two countries. Closer co-operation between the two countries' customs administrations to enhance supply chain security could also result in greater benefits for certified STP and SES traders from Singapore and New Zealand. Under a mutual recognition arrangement, these companies would be recognised by both customs administrations without having to repeat the validation process. Recognised companies could enjoy reduced inspection or expedited clearance for the movement of their goods between the two countries.

5 "Closer co-operation and mutual recognition on supply chain security matters and programmes would help to secure and further facilitate trade flows between Singapore and New Zealand. I hope that the signing of the Statement of Intent will encourage more businesses to secure their supply chain and seek STP status," said Fong Yong Kian.

6 "Mutual recognition arrangements have a vital role to play in securing international trade and avoiding unnecessary duplication of compliance processes. It is through enhanced co-operation between customs authorities that these benefits can be achieved," said Martyn Dunne.

7 Total trade between Singapore and New Zealand amounted to S\$3 billion in 2007.

8 Besides New Zealand, Singapore Customs is also currently engaged in mutual recognition discussions with countries such as the United States of America and Australia.

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## **About Mutual Recognition**

Mutual recognition means that an action or decision that has been granted by one customs administration is recognised and accepted by another customs administration. It eliminates or reduces redundant or duplicated audits and authorisation.

Generally, under a mutual recognition agreement, both customs administrations would:

- Mutually recognise each other's authorised economic operators / companies;
- Provide trade facilitation measures (e.g. reduced customs inspection or expedited clearance) to goods imported from an exporter who is a member of the other country's supply chain security programme.

## **About STP**

Launched on 25 May 2007, the Secure Trade Partnership (STP) is a voluntary certification programme administered by Singapore Customs that encourages companies to adopt robust security measures in their trading operations, thereby contributing to the improvement in the security of the global supply chain.

The STP provides companies with a framework to guide the development, implementation, monitoring and review of their supply chain security measures and practices.

By participating in the STP, companies demonstrate their commitment to adopt and implement appropriate security measures and a willingness to assume responsibility for keeping their supply chains secure.

The STP is open to all supply chain stakeholders, including importers, exporters, warehouse operators, transporters, and terminal operators, etc.

The STP is consistent with the WCO SAFE Framework of Standards to Secure and Facilitate Global Trade, adopted in June 2005.

As of July 2008, 22 companies are certified under the STP.

## **About SES**

The Secure Exports Scheme (SES) is a voluntary arrangement between exporters and the New Zealand Customs Service, designed to protect the exporters' international trade through the supply chain against tampering, sabotage, smuggling and other trans-national crime.

The scheme's partners make a firm commitment to have measures in place to protect their goods against tampering, sabotage or smuggling, from the point of packing, to delivery at a site for export loading.

The SES is open to all exporters, exporting by all modes of transport to all destinations.

The SES is consistent with the WCO SAFE Framework of Standards to Secure and Facilitate Global Trade.

As of May 2008, 106 exporters are participating in the SES.