



**SINGAPORE CUSTOMS** 新加坡关税局 **KASTAM SINGAPURA** சிங்கப்பூர் சுங்கத்துறை

## **MEDIA RELEASE**

27 June 2014

### **Faster customs clearance for certified Singapore companies exporting goods to Hong Kong**

Singapore companies that have been certified by Singapore Customs can now enjoy faster customs clearance for the goods they export to Hong Kong.

Singapore Customs and the Customs and Excise Department of the Hong Kong Special Administrative Region of the People's Republic of China (HK C&ED) have agreed that such companies will have their exports recognised by the HK C&ED to be of lower risk, leading to quicker clearance when the goods arrive at Hong Kong's ports. These companies can therefore better plan their cargo movements, particularly for time-sensitive exports, and enjoy savings in costs which would otherwise be incurred due to port delays.

Similarly, companies in Hong Kong which have been certified by the HK C&ED will have their exports cleared expeditiously when the goods arrive in Singapore.

This mutual recognition arrangement (MRA) to enhance supply chain security and facilitate trade between Singapore and Hong Kong was signed at the 123<sup>rd</sup>/124<sup>th</sup> World Customs Organisation (WCO) Council Sessions in Brussels, Belgium, on 27 June 2014.

Singapore's Director-General of Customs Mr Ho Chee Pong (新加坡关税局局长何志鹏) and Hong Kong's Commissioner of Customs and Excise Mr Clement Cheung (香港海关关长張雲正) signed the arrangement.

The Hong Kong-Singapore MRA recognises the compatibility of the supply chain security measures implemented by companies certified under Singapore Customs' Secure Trade Partnership (STP) programme – specifically the STP-Plus companies – and Hong Kong's Authorised Economic Operator (AEO) programme.

Singapore first signed MRAs, with Canada and the Republic of Korea, in 2010. This MRA with Hong Kong is its sixth.

Hong Kong was Singapore's fifth largest trading partner in 2013, with a trade volume amounting to S\$61 billion. Singapore's main exports to Hong Kong include electronic integrated circuits and microassemblies, petroleum oils, as well as ship and aircraft stores, while its main imports from Hong Kong include jewellery and precious metals, telephones for cellular and wireless networks, and diamonds.

“Hong Kong is an important trading partner to Singapore, and this arrangement will bring benefits to our bilateral trade,” said Mr Ho. “The close cooperation and open communication between our two customs administrations not only resulted in a smooth negotiation process, but also strengthened our ties. We are very pleased to have concluded this important milestone.”

“This MRA also contributes to the growing network of MRAs to strengthen supply chain security globally and promote the facilitation of low risk cargos,” added Mr Ho.

"This is the fourth MRA that we have concluded with other customs administrations, after the Mainland, Korea and India," said Mr Cheung. "Singapore is one of the principal trading partners of Hong Kong. The facilitation measures under the MRA will assist local traders in accessing the Singapore market, through which Hong Kong branded products and services are promoted in Singapore while enhancing the favourable image of Hong Kong brands. These bring more business opportunities to the import/export and logistics industries."

### **Companies welcome the Hong Kong-Singapore arrangement**

Companies in Singapore with significant trade with Hong Kong welcomed the signing of the MRA.

“Xilinx is very pleased to know the Hong Kong-Singapore MRA has been concluded,” said Mr Eugene Khoo, Director of Logistics, Trade Compliance APAC & Inventory Control of Xilinx Asia Pacific Pte Ltd, a leading provider of All Programmable technologies and devices.

“As we export daily to our strategic customers in Hong Kong, this MRA would greatly benefit both our customers and Xilinx, especially in the event of a trade disruption. Xilinx’s shipments are time-sensitive and the ability to clear ahead of non-AEO companies would enhance Xilinx’s customer service to our esteemed customers as well as assist our customers to better manage their manufacturing lead times under such circumstances.”

### **Securing and facilitating global trade**

Singapore Customs’ STP programme is based on the WCO’s Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework of Standards). The WCO SAFE Framework of Standards highlights the need for all stakeholders to take measures to ensure the security of the supply chain, and for customs administrations to establish AEO programmes to certify companies which adopt robust security practices.

Mutual recognition arrangements multiply the benefits of national AEO programmes by elevating trade facilitation and trade security to the international level. Such arrangements also help to facilitate continuous secure trade flows in situations of high alert or when international trade is disrupted.

Singapore Customs is the first customs administration in Southeast Asia to enter into mutual recognition of AEO programmes with other customs administrations. It joins the ranks of a growing number of customs authorities which have signed mutual recognition arrangements, including the European Union, Japan, People’s Republic of China, Republic of Korea, and the United States of America.

**###**

## ANNEX

**Photo of the Hong Kong-Singapore Mutual Recognition Arrangement Signing Ceremony at the 123<sup>rd</sup>/124<sup>th</sup> World Customs Organisation Council Sessions, Brussels, Belgium, on 27 June 2014**



Director-General of Singapore Customs Mr Ho Chee Pong (left), and Commissioner of the Customs and Excise Department of the Hong Kong Special Administrative Region of the People's Republic of China Mr Clement Cheung signed the mutual recognition arrangement between Singapore and Hong Kong at the World Customs Organisation (WCO) in Brussels, Belgium, on 27 June 2014.