



SINGAPORE CUSTOMS

We make trade **EASY, FAIR** and **SECURE**



SINGAPORE
QUALITY
AWARD
for business excellence

2012 WINNER

Singapore Quality Award
Executive Summary

CONTENTS

4	Foreword
6	Key Milestones
8	Our Journey Towards Organisational Excellence
11	Organisational Profile
21	Leadership
37	Planning
45	Information
59	People
77	Processes
89	Customers
103	Results

FOREWORD

The roots of Singapore Customs can be traced back to 1910 when the Government Monopolies Department was set up to collect duties on opium, alcoholic liquors and spirits. Over the decades, the department took on more responsibilities and our roles expanded. On 1 April 2003, Singapore Customs was reconstituted to assume the functions of trade facilitation, trade regulation and trade protection. Our mission changed to one of assuring the integrity of our trading system to support Singapore as a global trading hub.

The roles of a Customs agency now cut across economic, security and social domains. On the one hand, we have to ensure the smooth flow of close to a trillion dollars' worth of trade in and out of Singapore every year. On the other hand, we have to address the wide-ranging concerns of multiple stakeholders in trade-related matters. As our motto states, we strive to "Make Trade Easy, Fair and Secure". This is by no means an easy feat given the complex global trading environment and rapidly changing business needs in Singapore.

Achieving these goals requires Singapore Customs to actively develop partnerships, innovate and relentlessly pursue continual improvements. Today, Singapore Customs is a highly regarded Customs authority, one that has consistently been ranked top in the world by various international surveys. We partner the business community to better understand their concerns and co-create regulatory solutions with them. We collaborate with other government agencies to bring about the best balance in facilitating trade through formulating and putting in place the right types of regulation. We strongly encourage our officers to be outward-focused, listen closely to our partners and stakeholders to understand their perspectives, so that we can establish mutual goals and pursue win-win outcomes.

We innovate by leveraging on technology to offer integrated solutions like TradeXchange®, which has helped to boost productivity in the logistics sector. Another example of innovation is TradeFIRST, which streamlines the application process for all Customs facilitation schemes, with an added bonus of account managers assigned to work closely with the licensees.

Internally, the traditional culture of a regulatory authority that focused on safeguarding revenue has been overtaken by a forward-looking mindset of exploring new boundaries and working with external stakeholders. One may ask: what motivated us to aim for the Singapore Quality Award (SQA)? The simple answer is: as a public agency, it is our duty to pursue excellence in our work to benefit the community and the nation. Second, the Business Excellence framework is well-established and widely recognised. Like a mirror, it helps us to assess if we have done things right and the areas that we can do better. In late 2011, we decided that we have reached a sufficient level of maturity to put ourselves to the test. It was most gratifying that our staff put their trust in their leaders and were fully on board the Business Excellence journey. We also learnt a lot from other organisations and adapted best practices that suit Singapore Customs.

One of the key benefits of this Business Excellence journey has been our gradual transformation towards a people-centric organisation. We would not have achieved the SQA if we had not taken a deliberate strategy to constantly engage our staff, take good care of them and develop the core values and culture of the organisation.

To be presented with the Singapore Quality Award is a great honour for Singapore Customs. This Executive Summary offers a glimpse into what we have done in the past few years, for which we are rather proud. Business Excellence is a journey, not a destination. It is a fulfilling journey not just for the organisation but more importantly for staff, who will experience greater purpose in their work and stronger camaraderie and sense of achievement with their colleagues.

Finally, let me express my appreciation to all Singapore Customs staff, customers, partners, and suppliers. Thank you for working with us to ensure trade flows smoothly and safely. You have certainly contributed in no small part to our Business Excellence journey. Let us continue to scale greater heights together!



Fong Yong Kian
Director-General of Customs
SINGAPORE CUSTOMS



GUARDIAN OF
TRADE

SINGAPORE CUSTOMS KEY MILESTONES

1910s

Customs began its 100-year history during the Straits Settlement period. Established in 1910 by the British Government under the name, Government Monopolies Department, its main role was in revenue collection when the first import duties were imposed on opium, hard liquors and spirits.

1920s

The 1920s saw the evils of opium addiction spread. Revenue collection from opium duties soared to \$5.9 million within ten years.

1930s

The collection of duties was extended to include other items and the Monopolies Department was re-named Customs & Excise Department.

1940s

Customs & Excise Department increased its anti-narcotics efforts after World War II when the British Government banned the import, export, purchase and sale of opium.

1950s

The Cinematography Film Hire Ordinance was introduced. In the same period, the Central Narcotics Intelligence Bureau was established within Customs & Excise Department to coordinate narcotics suppression matters. These functions were transferred to the Central Narcotics Bureau in 1971.

1960s

Singapore's Independence in 1965 also saw the shift in focus of the Customs & Excise Department as it moved towards supporting Singapore's development into an industrialised nation and a thriving entrepot port. Under its first local Comptroller, Customs & Excise Department introduced Free Trade Zones to facilitate entrepot trade.

1970s

Singapore developed rapidly into a trading hub. Customs & Excise Department became a member of the Customs Cooperation Council (now known as the World Customs Organisation) in 1975.

1980s

Customs & Excise Department took the first steps towards automation with the implementation of TradeNet®, the world's first nationwide electronic data interchange system for clearance of trade documentation.

1990s

Customs & Excise Department took on a greater role in trade facilitation and began collection of import GST. In a landmark development in 1992, ASEAN signed the Common Effective Preferential Tariff Scheme to eliminate tariffs and non-tariff barriers in the region, paving the way for the ASEAN Free Trade Area in 1993.

2000

Customs & Excise Department obtained Singapore Quality Class and Singapore signed its first bilateral Free Trade Agreement with New Zealand. Other FTAs were subsequently signed; facilitating regional economic integration and greater interconnectivity between Customs administrations.



2001

Customs & Excise Department implemented the Data Warehousing system to improve the effectiveness of intelligence collection and analysis work. In the same year, the risk management framework was introduced and the revenue collection system was enhanced to help traders trace their transactions easily.

2002

Customs & Excise Department chaired the ASEAN Harmonised Tariff Nomenclature Task Force and played a significant role in its development. Intranet was launched to strengthen staff engagement.

2003

Customs & Excise Department was re-constituted as Singapore Customs on 1 April 2003 when the revenue enforcement and trade documentation functions of Customs & Excise Department were merged with the trade facilitation functions of International Enterprise Singapore. The Computer Forensics Unit was set up.

2004

Singapore participated in the Kimberley Process Certification Scheme, an international scheme that prevents sales of blood diamonds used to fund terrorist activities. The Customs Service Charter was launched.

2005

The ASEAN-China Agreement on Trade in Goods, which formed part of First ASEAN-plus Free Trade Agreement, was implemented. Singapore led the final phase of Exercise Deep Sabre, a multinational maritime interdiction exercise, to prevent proliferation of mass destruction.

2006

Zero GST Warehouse Scheme was introduced to reduce tax burden on traders. The Voluntary Disclosure Programme was implemented. Singapore Customs was appointed custodian of the National Supply Chain Security Programme.

2007

Singapore Customs launched TradeXchange®, an IT platform that connects the trade and logistics communities. 2007 also saw the launch of Secure Trade Partnership, the region's first national supply chain security programme.

2008

Singapore Customs implemented Apex Licence, designed for warehouse operators with diverse business operations. Key Customers Programme was launched to improve customer service.

2009

Led by Singapore Customs, the World Customs Organisation's Trade Recovery Guidelines were developed and incorporated into the World Customs Organisation Secure and Facilitate Global Trade (SAFE Framework) of Standards. Singapore Customs implemented Singapore Duty-Paid Cigarette marking – a world's first.

2010

Singapore Customs celebrated its 100th anniversary and launched Customs 2015 to outline its strategic thrusts in meeting challenges arising from a fast-changing environment. A new HR Directorate was formed to drive a people-centric organisation. Singapore signed Mutual Recognition Arrangements with Korea and Canada.

2011

Singapore Customs obtained SQC Star and launched TradeFIRST, a holistic system of assessment that supports trade facilitation and compliance. New TradeXchange® services were rolled out. Singapore signed Mutual Recognition Arrangement with Japan.

2012

The Singapore Customs Academy, a new training institute to provide training for the trading community and our staff, was launched. The Staff Charter was adopted as Singapore Customs moves towards greater commitment to our people. Singapore signed Mutual Recognition Arrangement with China. Singapore Customs obtained the prestigious Singapore Quality Award.

OUR JOURNEY TOWARDS ORGANISATIONAL EXCELLENCE (1998 – PRESENT)



Attained since 1998
Passed the Re-Certification
Audit in October 2012

1998



Attained since February 2000
Successfully Renewed
in October 2011

2000



Attained since December 2000
Successfully Renewed
in October 2011

2000



Awarded Silver in 2003 – 05
Gold in 2006 & 2008
Platinum in 2010

2003



Awarded in
December 2004

2004



Attained since
February 2006
Successfully Renewed
in October 2011

2006



Attained since
October 2008
Successfully Renewed
in October 2011

2008



Attained in
October 2011

2011



2012 WINNER
Awarded in
November 2012

2012



ORGANISATIONAL
PROFILE

ORGANISATIONAL DESCRIPTION

ORGANISATIONAL ENVIRONMENT

Few organisations can claim to have served Singapore for a century. Singapore Customs is one such organisation. We are constantly re-inventing ourselves to be in step with Singapore's growth. Singapore Customs makes trade:

- **Easy** – by facilitating over \$900 billion worth of trade annually through our products and services.
- **Fair** – by ensuring that our regulations regard all fairly.
- **Secure** – by securing the global supply chain to counter terrorism and countering the proliferation of weapons of mass destruction.

Despite the challenges of making Singapore's international trade regime easy, fair and secure, Singapore Customs has consistently remained ahead of global competition. Yearly international rankings place Singapore Customs as the most efficient Customs Administration in the world.

OUR VISION, MISSION, VALUES AND MOTTO

For Singapore to maintain its position as a global trading hub, it is crucial to protect the integrity of our trading system. Hence, Singapore Customs works hard to build trust and strengthen integrity in our nation's trading system. Our philosophy is encapsulated in our motto "We Make Trade Easy, Fair and Secure".

“Singapore Customs performs an important dual role. First, it helps to keep our trade moving smoothly. This is vital to our whole economy, which depends on efficient, uninterrupted trade flows. Second, Customs ensures that duties and taxes are properly collected, and acts on intelligence to interdict dangerous items. In this way, **it maintains the integrity of the trading system, and helps to enhance our border security.**”

Prime Minister Lee Hsien Loong, Singapore Customs' Centennial Celebrations, January 2010

“The overall world champion at trade facilitation is Singapore, where four documents are required and goods are cleared in, at most, five days at an average cost of around \$456 per container...”

Pascal Lamy, Director-General of the World Trade Organisation, addressing the World Customs Organisation in Brussels, June 2011

In facilitating trade, we take a differentiated and risk-based approach. We partner the trading community to help companies comply with the relevant regulations and secure their supply chain. Traders who pose low risk enjoy flexible and even customised facilitation. Traders who break our laws and engage in illicit trade will be brought to justice. This approach and our values guide us towards the realisation of our vision and mission.



Figure A-2: Singapore Customs' Vision, Mission and Values

MAIN PRODUCTS AND SERVICES

As the key agency in charge of regulating international trade, Singapore Customs is in a unique position to work with other government agencies to secure our society against terrorism and other threats, as well as to facilitate trade to promote Singapore's economic growth. Our key roles are indicated in Figure A-3.



Figure A-1: We Make Trade Easy, Fair and Secure



Figure A-3: Key Roles of Singapore Customs

Our key products and services are:

- **TradeNet®** – The world's first national electronic data interchange system that provides a one-stop solution for clearance of trade documentation.
- **TradeXchange®** – A revolutionary IT platform connecting the trade and logistics communities, which allows data reusability and seamless data flow between all parties in the supply chain.
- **TradeFIRST** – A holistic assessment framework that allows traders to submit a single application and undergo a single assessment to be eligible for multiple facilitation schemes offered by Singapore Customs.
- **Revenue Protection** – Robust systems and processes to ensure the effective collection of government revenue.
- **Checkpoint Services** – Efficient processes to facilitate hassle-free travelling experience.
- **Strategic Goods and Chemical Weapons Control** – An effective export control regime to prevent proliferation of weapons of mass destruction.
- **Free Trade Agreements and Mutual Recognition Arrangements** – Mutually beneficial arrangements with Singapore's key trading partners, to give traders and companies operating in Singapore a competitive advantage.
- **Singapore Customs Academy** – The first academy in Singapore dedicated to training on customs matters for the trading community.

CORE COMPETENCIES OF THE ORGANISATION

Singapore Customs' core competencies are:

- Providing a conducive environment for businesses to feedback their needs and requirements.
- Establishing a clear understanding of the trading environment to advance trade facilitation.
- Building an international Customs network to facilitate trade across borders.
- Equipping officers with strong operational capabilities in intelligence, investigation, compliance and risk management to deter and tackle smuggling and errant traders.
- Forming a Whole-of-Government network with other local agencies to support trade facilitation and enforcement.
- Training employees to focus on customer orientation and dedication to service excellence.

As the role of Customs becomes more diverse and multi-faceted, we will continue to ensure that our core competencies remain relevant with the changing environment and business needs.

ORGANISATIONAL STRUCTURE AND EMPLOYEE PROFILE

There are six divisions and two directorates in Singapore Customs performing the varied functions of the department. As at 31 December 2011, we have a staff strength of 841 officers.



MAIN EQUIPMENT, FACILITIES AND TECHNOLOGIES USED

Singapore Customs' headquarters is located at Revenue House, Newton Road. Besides the Customs Operations Command at Keppel Road, we also operate at various field offices across the island, including the Tuas and Woodlands checkpoints, Singapore Changi Airport, Singapore Cruise Centre, and the Marina Bay Cruise Centre Singapore.

We administer Singapore's national single window for trade documentation, TradeNet®, which allows traders to submit import, export and transshipment declarations electronically to Customs and 13 other controlling agencies. TradeNet® is the first example of a Whole-of-Government approach to manage transactions with the business community. TradeNet® is supported by a separate back-end system called e-Customs. This web-based system replaced the former mainframe-based system and offers a more integrated and streamlined system architecture as well as a friendly-user interface. On the enforcement front, we leverage on cutting-edge technology including data-mining software, intelligence and data analysis tools, polygraph machines, and a robust pre-clearance system to sift out high-risk cargoes for inspection.

REGULATORY ENVIRONMENT

Our regulatory functions stem from a wide range of statutes that we have been entrusted to administer and enforce. We also uphold Singapore's international obligations in various international agreements, and comply with the requirements of several certification standards.

ORGANISATIONAL RELATIONSHIPS

RELATIONSHIP WITH PARENT ORGANISATION

Singapore Customs is a department under the Ministry of Finance. We also work closely with the Ministry of Trade and Industry on trade policy matters, and report to the inter-ministry committees on supply chain security and strategic goods control, which are chaired by the Ministry of Transport and Ministry of Foreign Affairs respectively.

RELATIONSHIP WITH CUSTOMERS

Our customers are segmented into traders and travellers, as shown in Figure B-1.



Figure B-1: Our Customers and their Key Requirements

We view traders as the first line of defence against exploitation of the trading system for illegal means. Hence we do not see them just as our customers but as partners who help us strengthen the supply chain. We ensure the integrity and security of our trading system by:

- Working with traders to enhance supply chain security.
- Educating them to enhance compliance capacity.
- Reaching out to traders to co-create solutions.
- Identifying emerging areas that require customised facilitation.
- Leveraging on technology to deliver breakthrough business solutions (for example, TradeXchange®).
- Promoting utilisation of free trade agreements to enhance market access and competitiveness.



As for travellers, we understand their desire for a hassle-free experience at the checkpoints. We strive to enhance our service delivery by working closely with the Immigration & Checkpoints Authority (which is responsible for conducting checks at the border) to streamline customs processes and manage offences detected at the checkpoints. We also aim to enhance travellers' experience through technology, providing easy access to information, and by training our employees well to serve our customers.

Our Service Charter outlines Singapore Customs' commitment to providing quality service to our customers. It provides information on what we do and the service standards our customers can expect from us. Our Quality Policy – Your Satisfaction, Our Pride – underlines our commitment to service excellence. In serving our customers, we aim to be Fast and Friendly, Firm and Fair.

RELATIONSHIP WITH SUPPLIERS AND PARTNERS

The roles and responsibilities of Singapore Customs extend to economic, security and social domains. Therefore we cannot act alone to fulfil our strategic objectives. The complex operating environment necessitates close collaboration with our partners to achieve a well-coordinated Whole-of-Government response to trade-related issues.

Singapore Customs' partners consist of mainly government agencies from the economic, transportation and security sectors as well as private sector entities which deal with trade. Twice a year, our Senior Management reviews our partnerships with key partners and identifies possible areas of collaboration.

The selection of suppliers is governed by Civil Service policies and guidelines. All procurement is done through the online procurement system GeBIZ. We also adopt best-sourcing principles in selecting our suppliers. We have three main categories of suppliers:

- IT service providers.
- Enforcement support and physical security service providers.
- Training service providers.

ORGANISATIONAL CHALLENGES

COMPETITIVE ENVIRONMENT

Trade is a vital component of Singapore's open, globally-oriented economy. Singapore's trade value was about three times our GDP in 2011, making us the second highest in the world after Hong Kong (see Figure C-1). In the 2011 World Bank *Doing Business* report, Singapore is ranked first among 183 economies for ease of doing business and trading across borders. The IMD *World Competitiveness Yearbook 2011* continues to rank Singapore among the top five in the world for facilitation of efficient transit of goods. The World Economic Forum *Global Enabling Trade Report*, which measures the extent which border authorities facilitate the entry and exit of goods, has ranked Singapore in the first position for the past three years. Being the top Customs administration in the world, Singapore Customs' challenge remains in finding new breakthroughs and staying ahead of the competition, to support Singapore's vibrant economy and continue to attract foreign investors and traders to Singapore.

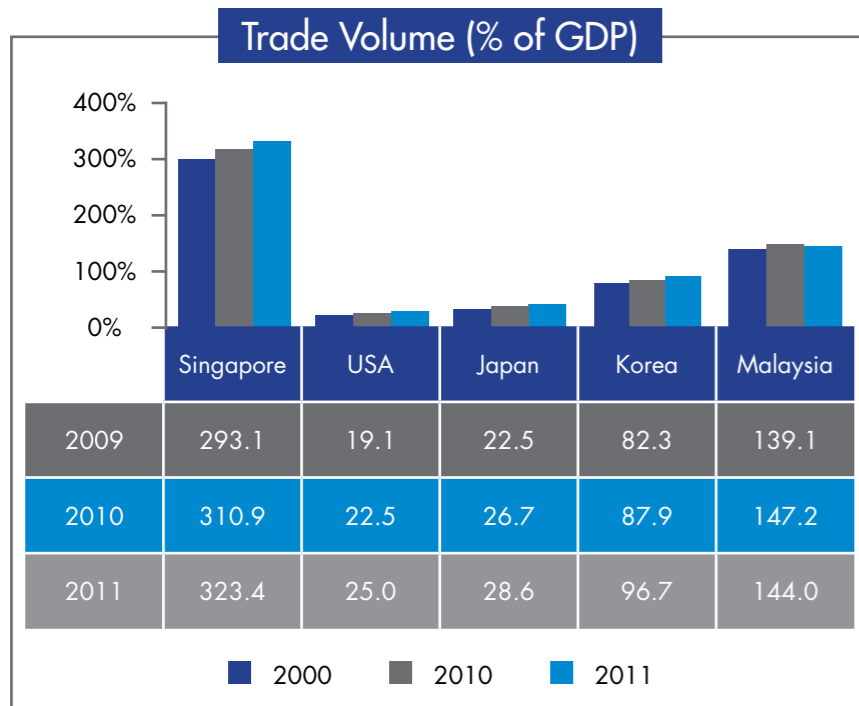


Figure C-1: Importance of Trade: Trade value to GDP Ratio¹

In facilitating trade, Singapore Customs also undertakes initiatives to boost the capability of our local industries and small and medium-sized enterprises (SMEs) in the trade and logistics sectors to enhance their competitiveness. We have rolled out a series of innovative and flexible schemes to help businesses improve their productivity, while maintaining the right checks and balances to assure the integrity of the trading system.

¹Source: World Bank <http://data.worldbank.org/indicator/TG.VAL.TOTL.GD.ZS/countries>

STRATEGIC CHALLENGES

Our key strategic challenges are summarised below (Figure C-2).

Strategic Challenges	Aspects
Achieving the Best of Both Worlds: Trade Facilitation and Trade Security	<ul style="list-style-type: none"> Perform our multi-faceted role well and not compromise on one for the other Facilitate global trade while countering illicit trading activities and smuggling Curb weapons of mass destruction proliferation and transnational organised crimes Support international counter-terrorism efforts Protect the environment through multi-agency collaboration Adopt Whole-of-Government partnership approach Advance the trade facilitation agenda and promote supply chain security through active international engagements Expand market access through free trade agreements and mutual recognition arrangements
Meeting Rising Public Expectations	<ul style="list-style-type: none"> Involve customers in process design, policy formulation and implementation Keep up with rapid changes and anticipate needs of traders Provide smooth and fast service to travellers
Winning the War for Talent	<ul style="list-style-type: none"> Keep up with the higher expectations and career demands of a diverse workforce Build up job competencies, provide challenging jobs to motivate staff and reduce staff turnover

Figure C-2: Singapore Customs' Strategic Challenges

ORGANISATIONAL DIRECTIONS

In 2010, Singapore Customs launched Customs 2015, which sets out our operating environment, strategic direction and broad plans for the next five years. The five strategic thrusts of Customs 2015 are shown below (Figure C-3).



Figure C-3: Five Strategic Thrusts of Customs 2015

Singapore Customs also embarked on the Good to Great journey in 2010 as we aspire to be a Great organisation that is capable of consistently delivering superior performance, providing excellent service to our customers, seeking innovative ways to do things differently, and nurturing our employees so that they can learn and grow.

PERFORMANCE IMPROVEMENT SYSTEM

Singapore Customs' performance improvement system consists of three key areas: Results Alignment, Excellence Drivers, and Monitoring and Review.

Corporate strategies, plans and performance measures/indicators are aligned and measured using the Balanced Scorecard. This allows Singapore Customs to drive strategic outcomes in three perspectives: Customer, Internal Processes, and Learning and Growth.

The Business Excellence (BE) framework guides us in improving our management systems and processes to achieve sustainable growth and improvement. Singapore Customs recognises that the BE framework is a useful diagnostic tool to assess our organisation's readiness in the organisation excellence journey, and we have used it to guide us on our Good to Great journey.

To keep track of our organisational performance, active monitoring and review is practised through a structured approach to ensure that adequate and well-defined channels are available to surface issues and review organisational performance. These mechanisms range from unit and branch meetings to manage operational day-to-day issues, to high-level reviews of the organisation's long-term plans every three to five years.



LEADERSHIP

LEADERSHIP

Senior leaders in Singapore Customs (collectively known as SMGT) have their finger on the pulse of the organisation – they lead staff to scale greater heights with visionary leadership and strong presence on the ground. They are guided by the principles prescribed in the Singapore Customs’ Leadership System and the values of the organisation.

1.1 SENIOR LEADERSHIP

1.1a How senior leaders develop the purpose, vision and values for the organisation that focus on customers and other stakeholders, learning and innovation.

DEVELOPMENT OF MISSION, VISION AND VALUES

With the changes in Singapore Customs’ roles over the years, a re-visioning exercise was carried out in August 2009 to provide greater clarity and direction to our organisation (see Figure 1-1-1). To inspire a shared vision, a consultative approach was adopted (see Figure 1-1-2). The re-visioning reflects the greater focus on Singapore Customs’ role as the guardian of Singapore’s trade, with a strong emphasis on building trust and integrity of our trading system as the means to enable Singapore to maintain her trade competitiveness in a volatile global economy. We also introduced a motto which succinctly sums up Singapore Customs’ value proposition to our customers and stakeholders.

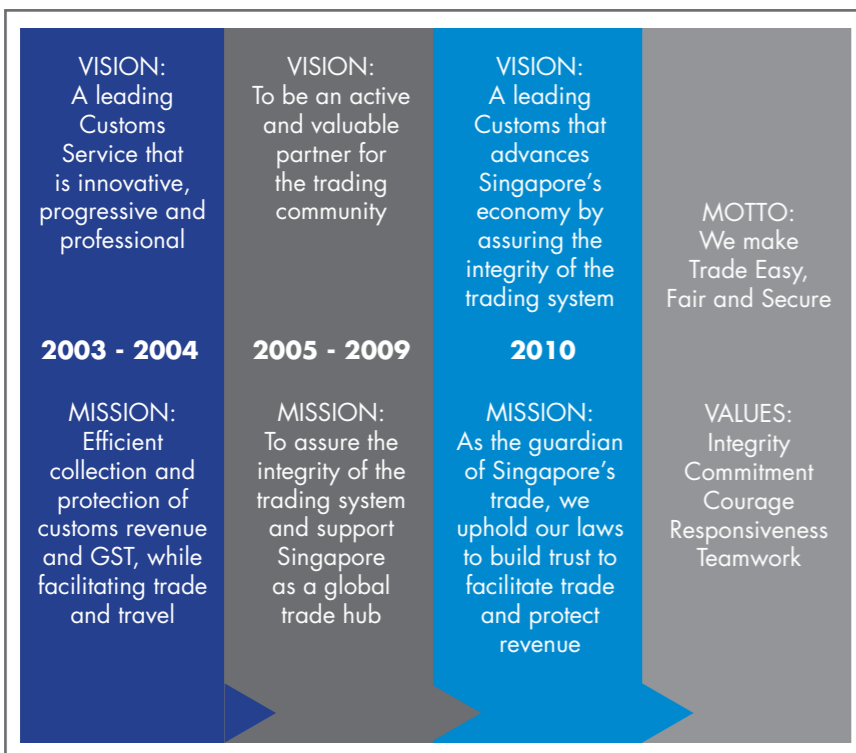


Figure 1-1-1: Vision, Mission, Motto and Values: A retrospective view of the changing roles of Singapore Customs and its growing importance through the years

“An efficient and incorrupt Customs service is an important element of Singapore’s competitive edge. In Singapore, we have kept our system honest and effective, and the department has been recognised for its excellence... Singapore topped the areas of ‘Efficiency of Customs Administration’ and ‘Efficiency of Import and Export Procedures’. This commendable performance helped us to win first place in the overall World Economic Forum rankings”

Prime Minister Lee Hsien Loong, Singapore Customs’ Centennial Celebrations, January 2010

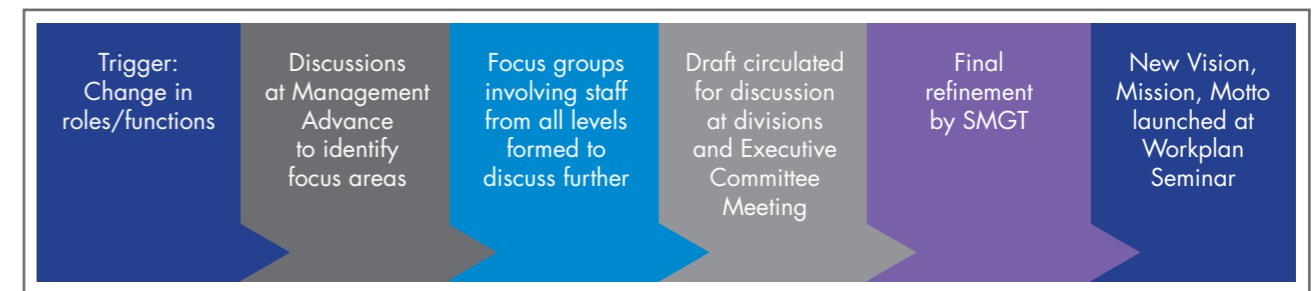


Figure 1-1-2: Consultative Process in Formulating our Vision, Mission and Motto

To reiterate their commitment in Singapore Customs’ Good to Great journey, SMGT issued the following **statements of intent on excellence**:

BRING SINGAPORE CUSTOMS “FROM GOOD TO GREAT”

As the guardian of Singapore’s trade, we have to continuously improve ourselves, strive to be the best Customs administration in the world, stay nimble in an ever-changing operating environment so that we can continue to facilitate the voluminous trade Singapore handles.

INNOVATE TO DELIVER BREAKTHROUGH SOLUTIONS TO OUR CUSTOMERS

Singapore Customs needs to calibrate the complex requirements of trade regulation and compliance, trade security and facilitation in a rapidly-changing environment. We have to keep abreast of developments and remain adaptive to deliver breakthrough solutions to our customers.

PROVIDE CONSISTENT WORLD-CLASS SERVICE

We deal with nearly a trillion dollars of trade every year and strive to provide consistent world-class service to traders and travellers. To our traders, this means a transparent, facilitative, consultative and pro-enterprise approach. To our travellers, this means providing a hassle-free experience.

BECOME AN EMPLOYER OF CHOICE

We care for our people and strive to provide each and every employee the opportunity to expand their horizons, enhance their strengths and talents, so that they are able to develop their fullest potential. We create an open working environment where our people can thrive and others look forward to working here.

1.1b How senior leaders communicate, demonstrate and reinforce the organisational purpose, vision and values to employees and other stakeholders.

SMGT in Singapore Customs are guided by the five focus areas outlined in the Singapore Customs' Leadership System (Figure 1-1-3).

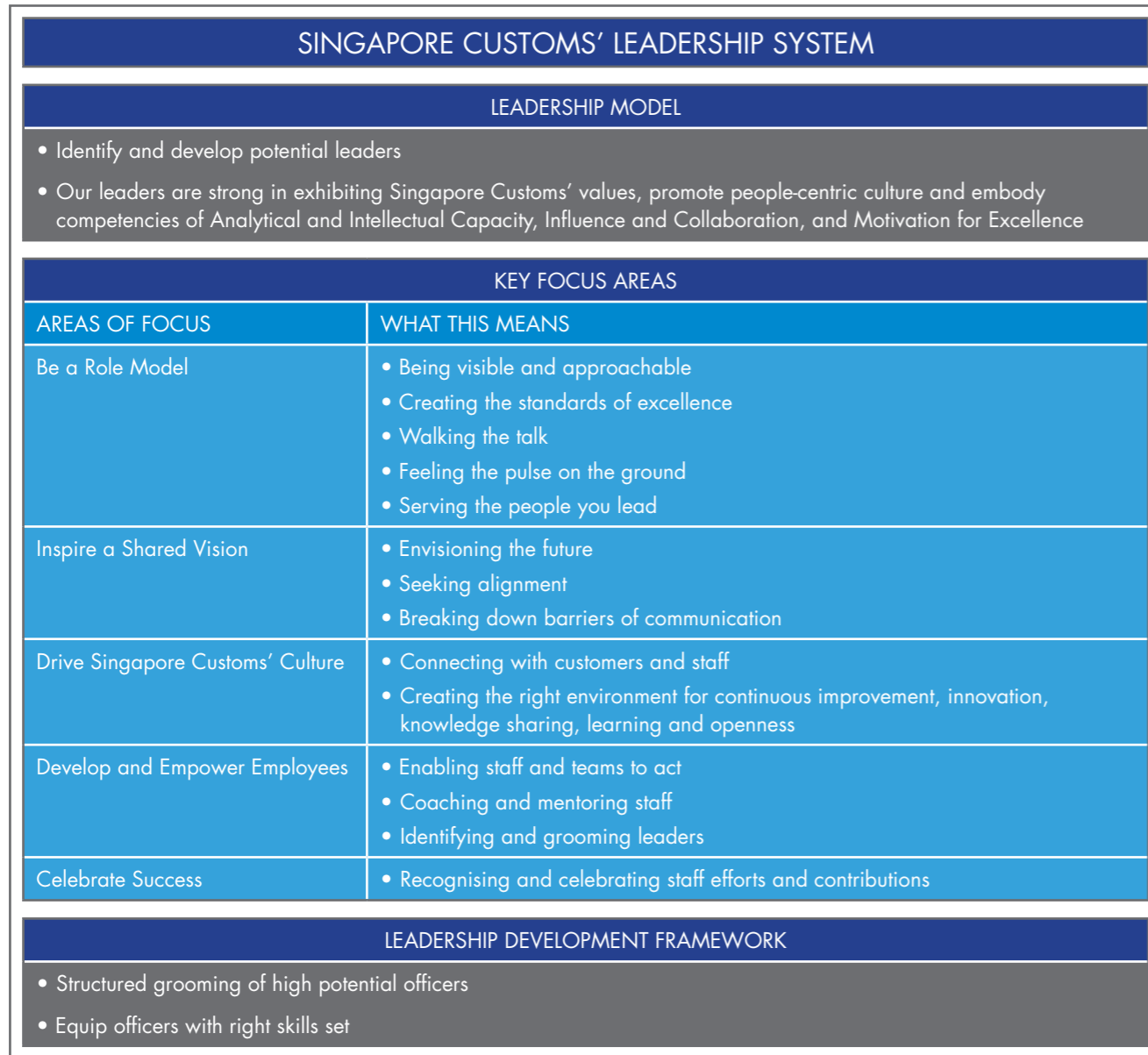


Figure 1-1-3: Singapore Customs' Leadership System

COMMUNICATE PURPOSE, VISION AND VALUES TO EMPLOYEES

SMGT reaches out to employees via various channels as shown in Figure 1-1-4. The communication channels and frequency of communication are reviewed regularly to ensure their effectiveness.

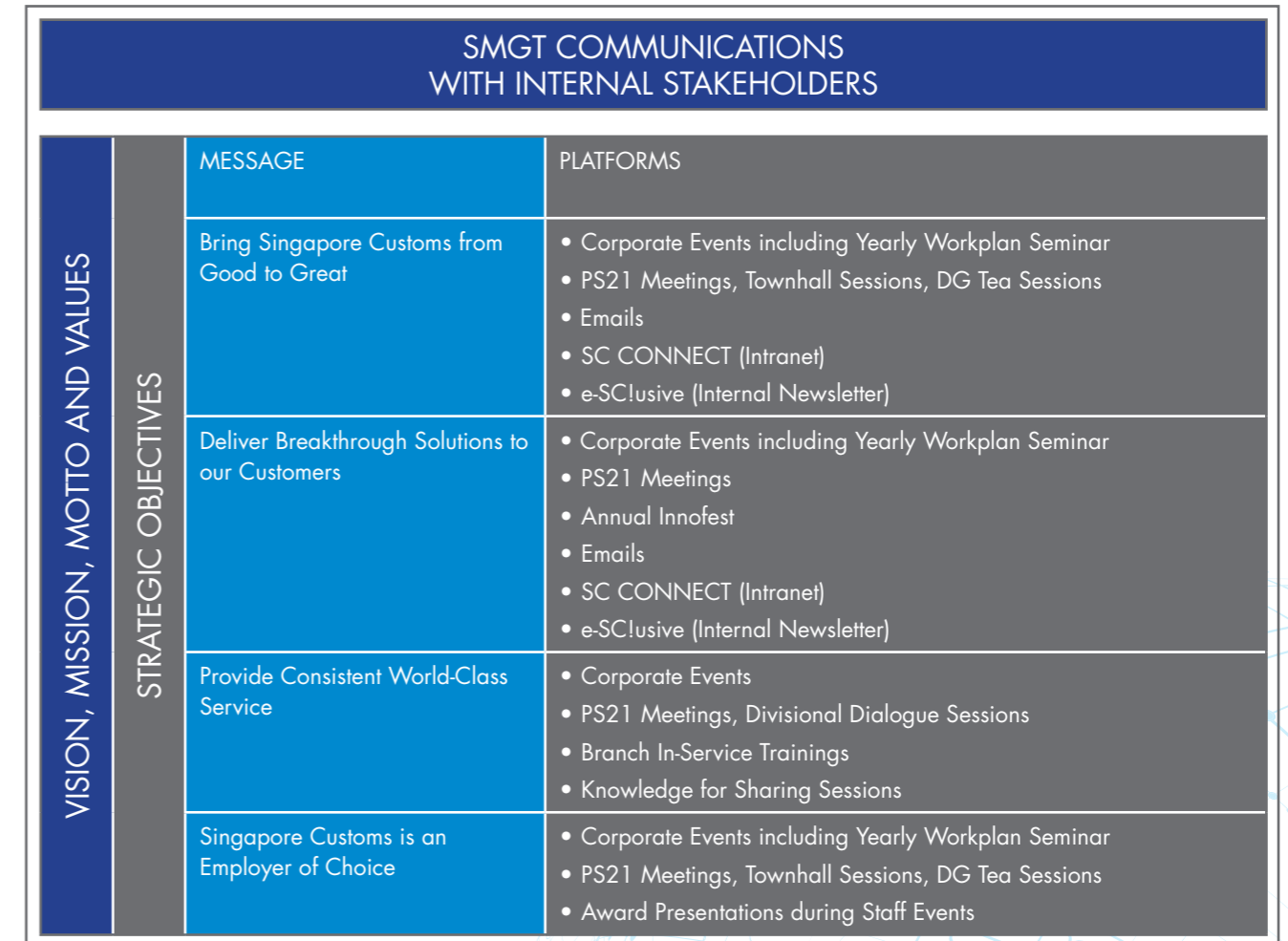


Figure 1-1-4: SMGT's Communication Platforms with Employees

COMMUNICATE PURPOSE, VISION AND VALUES TO EXTERNAL STAKEHOLDERS

SMGT regularly reviews the list of Singapore Customs' external stakeholders and decides on the best way to work with them, as shown in Figure 1-1-5. The Customs Advisory Council (CAC), chaired by Permanent Secretary (Finance), is a platform to reach out to the key business and trade associations and top-level private sector executives. We meet regularly with our strategic partners like the Economic Development Board (EDB), Singapore Police Force (SPF), and the Immigration & Checkpoints Authority (ICA) to share our upcoming plans and initiatives. The formation of a Client Relations Branch in 2010 was also a clear signal of SMGT's intent for Singapore Customs to be more customer-focused. In 2012, Singapore Customs launched the Singapore Customs Academy to further advance our mission of being the guardian of Singapore's trade. The Academy is the first of its kind in Singapore which specialises in providing customs-related education and training for businesses.

SMGT COMMUNICATIONS WITH EXTERNAL STAKEHOLDERS			
VISION, MISSION, MOTTO AND VALUES	STRATEGIC OBJECTIVES	MESSAGE	PLATFORMS
		Commitment to Excellence	<ul style="list-style-type: none"> Regular Meetings (Local and International) inSYNC (Corporate Newsletter) Visits by Overseas and Local Parties Media
		Delivering Breakthrough Solutions	<ul style="list-style-type: none"> Regular Meetings Outreach Sessions Dialogue Session Media
		Delivering World-Class Service	<ul style="list-style-type: none"> Regular Meetings Outreach Sessions Dialogue Sessions
		Being an Employer of Choice	<ul style="list-style-type: none"> Recruitment Talks Green Harvesting Programme Interview Sessions

Figure 1-1-5: SMGT's Communication Platforms with External Stakeholders

DEMONSTRATE AND REINFORCE COMMITMENT TO EXCELLENCE IN DAY-TO-DAY ACTIVITIES

The PS21 Steering Committee is chaired by the Director-General (DG) of Customs, and it consists of four PS21 Working Committees, each chaired by an SMGT member.

Over the years, various engagement platforms have been enhanced to enable SMGT to emphasise messages related to organisational excellence (see Figure 1-1-6). Figure 1-1-7 illustrates the key improvements made to the engagement platforms.

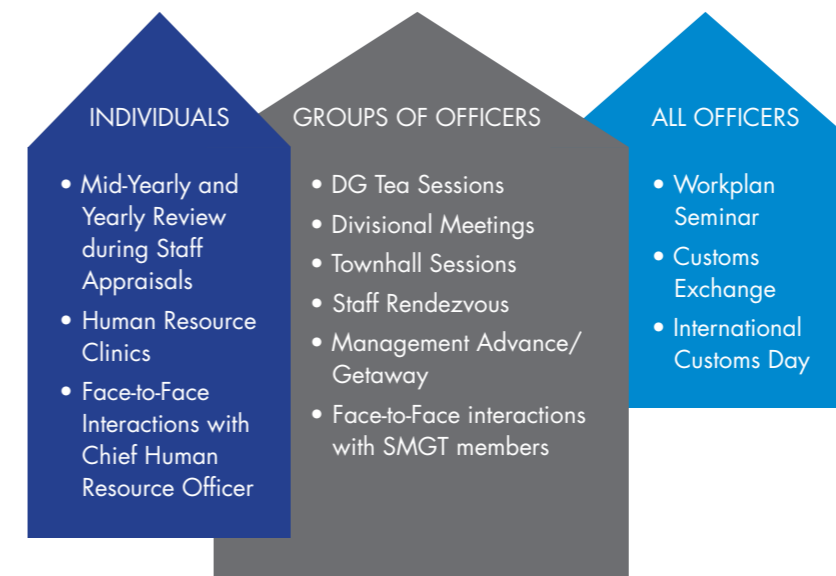


Figure 1-1-6: SMGT's Engagement Platforms with Internal Stakeholders



ENGAGEMENT PLATFORMS	IDENTIFIED LIMITATIONS	DEVELOPMENTS TO IMPROVE REACH	KEY MESSAGES
Workplan Seminar	<ul style="list-style-type: none"> Small attendance as there is only one session each year 	<ul style="list-style-type: none"> All employees are invited to attend (since 2009, two sessions are organised) 	<ul style="list-style-type: none"> Organisational Excellence (Bring the organisation from Good to Great)
SMGT Meet-Up Sessions	<ul style="list-style-type: none"> Formal setting Lower frequency 	<ul style="list-style-type: none"> All employees have a chance to meet the DG in a small group setting through tea/lunch/dialogue sessions All employees are able to voice their opinions directly to SMGT in regular small group sessions Informal setting in the staff lounge encourages employees to share their thoughts and feelings 	<ul style="list-style-type: none"> People-focused
Human Resource Townhall	<ul style="list-style-type: none"> Formal setting No agenda Officers generally do not share openly Low attendance 	<ul style="list-style-type: none"> New townhall sessions have a lighter atmosphere Agenda includes publicity for upcoming activities organised by the Staff Well-Being Committee and Customs Recreation Club 	<ul style="list-style-type: none"> People-focused (sharing of human resource initiatives)
Meetings with Human Resource Personnel	<ul style="list-style-type: none"> No clear access for one-to-one consultation with Human Resource 	<ul style="list-style-type: none"> Chief Human Resource Officer meets officer who wishes to have a personal consultation session with her 	<ul style="list-style-type: none"> People-focused (avenue for personal consultation)

Figure 1-1-7: Improved SMGT Engagement with Employees



1.1c How senior leaders evaluate and improve the effectiveness of their personal leadership and involvement.

DETERMINANTS OF LEADERSHIP EFFECTIVENESS

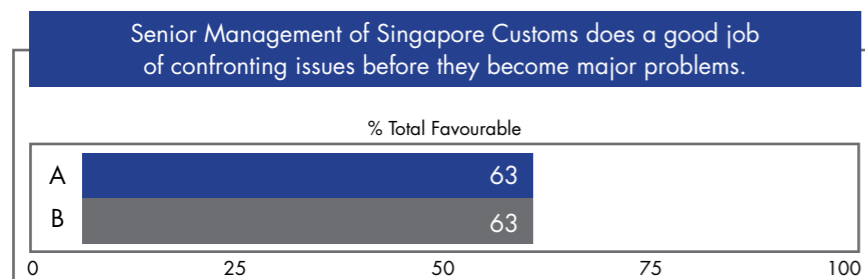
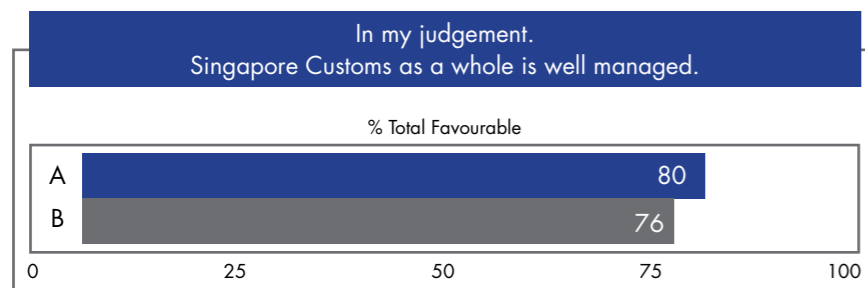
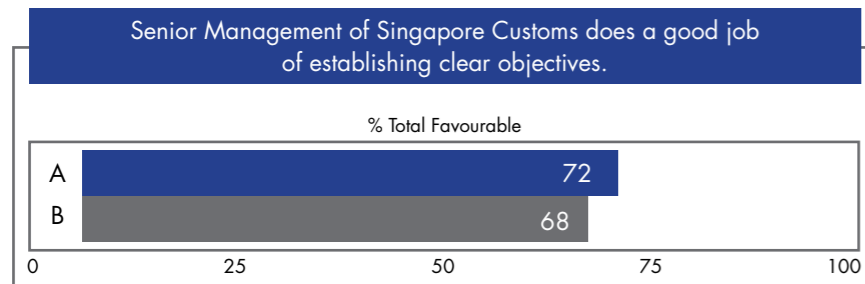
SMGT evaluate their leadership effectiveness based on five focus areas and determinants of leadership effectiveness, as shown in Figure 1-1-8.

AREAS OF FOCUS	DETERMINANTS OF LEADERSHIP EFFECTIVENESS	EVALUATION TOOLS
<ul style="list-style-type: none"> Be a Role Model 	<ul style="list-style-type: none"> Achieving goals Ensuring personal effectiveness 	<ul style="list-style-type: none"> Balanced Scorecard results SMGT outreach to staff 360-degree feedback/staff appraisals Employee Engagement Survey (EES) (Score for Leadership and Culture) Feedback from employees (Informal)
<ul style="list-style-type: none"> Inspire a Shared Vision 	<ul style="list-style-type: none"> Support for horizon-scanning efforts Communicate future direction and plans to all staff to seek alignment 	<ul style="list-style-type: none"> Number of Strategic Discussion Forums Number of initiatives spearheaded by SMGT EES Question: "I have a clear understanding of how my work contributes to achieving the organisation's overall goals" (86% of officers responded favourably in 2011, compared to 82% in 2009)
<ul style="list-style-type: none"> Drive Singapore Customs' Culture 	<ul style="list-style-type: none"> Connectedness with customers and staff Creating a conducive work environment 	<ul style="list-style-type: none"> Traders' Satisfaction Survey Travellers' Satisfaction Survey EES EES (Score for Values) EES (Score for PS21) Number of staff leaving Singapore Customs because of push factors
<ul style="list-style-type: none"> Develop and Empower Employees 	<ul style="list-style-type: none"> Ensuring customer satisfaction by empowering staff to delight customers Ensuring leadership continuity Support for coaching and mentoring 	<ul style="list-style-type: none"> Reviews to empower staff to take initiatives Leadership pipeline/bench strength EES Question: "My immediate supervisor regularly coaches me on improving my performance" (Results from Branch Heads)
<ul style="list-style-type: none"> Celebrate Success 	<ul style="list-style-type: none"> Celebrating achievement of goals 	<ul style="list-style-type: none"> Number of events to celebrate achievements

Figure 1-1-8: Leadership Effectiveness Evaluation Tools

LEADERSHIP RESULTS

Despite the increasingly complex roles performed by Singapore Customs, our EES results in 2011 (see Figure 1-1-9) show that majority of staff are satisfied with how our SMGT have managed the organisation. Singapore Customs performed above public sector norms for most questions related to leadership. Compared to 2009, we performed better or maintained the scores for all questions related to leadership.



Legend
 ■ A. SINGAPORE CUSTOMS OVERALL 2011
 ■ B. SINGAPORE CUSTOMS OVERALL 2009

Figure 1-1-9: Results Obtained for Leadership category from EES 2011

1.2 ORGANISATIONAL CULTURE

1.2a How the organisation translates its values into policies, practices and behaviours.

1.2b How the organisation creates and permeates a culture consistent with its values, and which encourages and supports learning, innovation and achievement of organisation's objectives

TRANSLATION OF VALUES AND PERMEATION OF CULTURE

Our values are translated into desired employee behaviours and permeated into our culture (see Figure 1-2-1).

SINGAPORE CUSTOMS' VALUES	TRANSLATION OF VALUES		PERMEATION OF DESIRED CULTURE
	Definitions	Desired Behaviours	Programmes and Practices
Integrity	We are upright and fair	<ul style="list-style-type: none"> We are incorruptible We are trustworthy We do not show favouritism 	<ul style="list-style-type: none"> Talks on Ethics E-learning Module on Customs Act Internal Audit System Corporate Governance Framework
Commitment	We pledge to be the best we can be	<ul style="list-style-type: none"> We strive for excellence We take ownership We deliver what we promise 	<ul style="list-style-type: none"> Awards for Service Excellence Service Excellence Training Individual Learning Roadmap
Courage	We do the right things despite risk and danger	<ul style="list-style-type: none"> We encourage different views and ideas We dare to change We are not afraid to fail 	<ul style="list-style-type: none"> InnoFest Staff Suggestions Scheme Work Improvement Teams Innovation Awards (Internal and External)
Responsiveness	We anticipate changing needs and act promptly	<ul style="list-style-type: none"> We keep ahead of changing realities We take quick and decisive actions We continuously learn and adapt 	<ul style="list-style-type: none"> Horizon Scanning, Strategies Discussion Forum, Customs 2015 Service Standards Service Awards (Internal and External)
Teamwork	We work together to achieve Singapore Customs' goals.	<ul style="list-style-type: none"> We care for one another. We share knowledge We put aside personal interests 	<ul style="list-style-type: none"> Cross-Functional Project Teams Teambuilding Activities at Organisational, Divisional and Branch Level Best Project Award Knowledge for Sharing Sessions In-Service Trainings

Figure 1-2-1: Translating Values and Permeating Culture



SHAPING SINGAPORE CUSTOMS' DESIRED CULTURE

In 2011, we conducted an exercise to define our desired culture. The DG personally engaged all employees to seek their views and the Desired Culture Statement was crafted (see Figure 1-2-2).

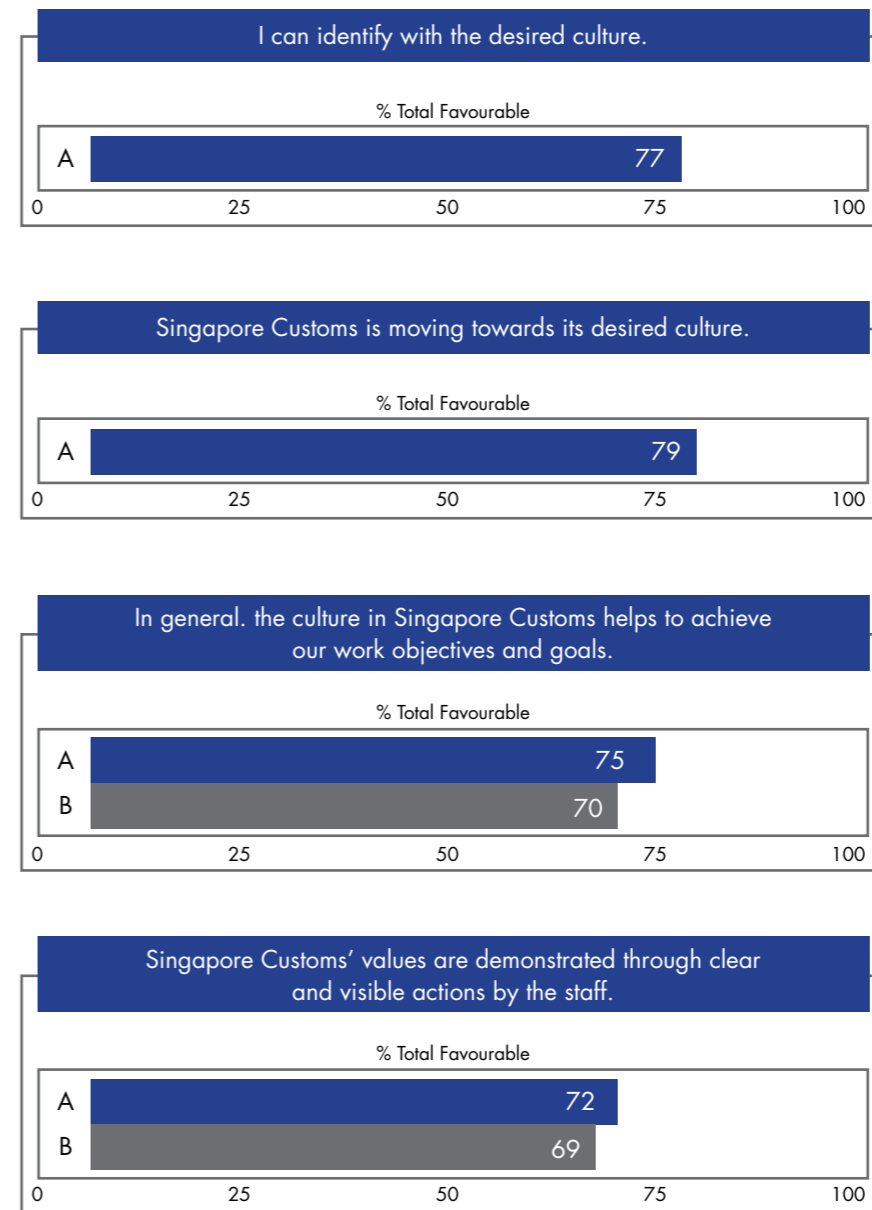
To promote our desired culture, the PS21 People Committee, chaired by the Chief Human Resource Officer, launched a series of activities to create awareness and involve employees in promoting our desired culture by living up to our Values. A Singapore Customs Values jingle and an extensive publicity campaign were launched to propagate our values.

WE STRIVE TO BUILD AN SC CULTURE,
WHERE EVERYONE CAN FEEL THE WARMTH OF
BEING IN THE SC FAMILY, A PLACE WHERE WE LIVE
BY OUR VALUES, CARE FOR ONE ANOTHER,
LEARN, CONTRIBUTE AND GROW TO BE OUR BEST.

Figure 1-2-2: Singapore Customs' Desired Culture

To make the desired culture real for staff, besides creating awareness, work processes infusing the various aspects of desired culture were worked out, for example, through orientation programmes and the inclusion of a dedicated section on staff's demonstration of our values in the performance appraisal process.

The intensified efforts to shape our desired culture resonated positively with our staff, as can be seen from the positive results pertaining to culture obtained from the recent EES conducted (see Figure 1-2-3). An encouraging 77% identified with our desired culture and we performed better than public sector norms on questions related to culture and values.



Legend

- A. SINGAPORE CUSTOMS OVERALL 2011
- B. SINGAPORE CUSTOMS OVERALL 2009

Figure 1-2-3: Results Obtained for Values and Culture category from EES 2011

1.2c How the organisation overcomes any differences between the current culture and the desired culture.

ASSESSING AND BRIDGING CULTURE GAPS

Singapore Customs identifies, evaluates and closes the gaps between our current and desired culture through the methods and platforms illustrated in Figure 1-2-4.

ASPECTS OF DESIRED CULTURE	ASSESSMENT METHODS	ANALYSIS PLATFORMS	RESPONSIBLE PARTIES
Achieving Goals	<ul style="list-style-type: none"> Balanced Scorecard Townhall Sessions Staff Appraisals 360-Degree Feedback International Rankings 	<ul style="list-style-type: none"> PS21 Steering Committee Executive Committee Meeting Customs Staff Meeting 	<ul style="list-style-type: none"> SMGT
Innovation-Focused	<ul style="list-style-type: none"> Employee Engagement Survey Results Participation in Staff Suggestion Scheme/Work Improvement Teams 	<ul style="list-style-type: none"> PS21 Steering Committee PS21 Innovation Committee Customs Staff Meeting 	<ul style="list-style-type: none"> PS21 Innovation Committee
People-Focused	<ul style="list-style-type: none"> Employee Engagement Survey Results Staff Appraisals Exit Interviews 360-Degree Feedback Feedback to Human Resource Directorate 	<ul style="list-style-type: none"> PS21 Steering Committee PS21 People Committee Career Development Committee 	<ul style="list-style-type: none"> Human Resource Directorate and PS21 People Committee
Service-Focused	<ul style="list-style-type: none"> Traders' Satisfaction Survey Travellers' Satisfaction Survey Compliments/Complaints Ratio Public Feedback 	<ul style="list-style-type: none"> PS21 Steering Committee PS21 Customer Committee Executive Committee Meeting Customs Staff Meeting 	<ul style="list-style-type: none"> PS21 Customer Committee and relevant Branches

Figure 1-2-4: Closing of Culture Gaps

1.3 CORPORATE SOCIAL RESPONSIBILITY

1.3a The organisation's policy and goals in relation to its contribution to the community and the environment in which it operates

Our Corporate Social Responsibility (CSR) Framework is laid out in Figure 1-3-1. Over the years, we have also refined our CSR approach to seek alignment with our corporate objectives to advance Singapore's economy.

Our focus on CSR activities has helped Singapore Customs to contribute to the business community as well as to society. Our efforts in countering the proliferation of weapons of mass destruction goods internationally also contributed to making the world a safer place. This is also encapsulated in Thrust 4 of Customs 2015.

CSR Policy: An Organisation that Cares for its Community by Contributing to it and Being Responsible to the Environment	
Thrust 1: Community Contributions	Thrust 2: Environmental Care
Goals <ul style="list-style-type: none"> Foster a trade-facilitative environment for businesses to flourish Help local agencies through education Protect our economy and society through enhanced enforcement Encourage employee participation in charitable activities 	Goals <ul style="list-style-type: none"> Create staff awareness about preserving a sustainable environment for future generations Adopt eco-friendly practices in the office

Figure 1-3-1: Singapore Customs' CSR Framework

1.3b How the organisation communicates its policy and goals to employees and external parties and involves them in achieving the goals

Singapore Customs communicates our CSR efforts via the channels shown in Figure 1-3-2 to raise community and environmental awareness.

Internal Communication Channels	External Communication Channels	International Communication Channels
<ul style="list-style-type: none"> Staff Suggestion Scheme Theme on CSR SC CONNECT (Intranet) Email Broadcast Community and Environmental Activities, Charity Drives, Visits e-SClusive (Staff Newsletter) Health Digest DG Dialogue Sessions 	<ul style="list-style-type: none"> inSYNC (Corporate Newsletter) Facebook Page Talks, Exhibitions, Publicity Campaigns, Roadshows, Workshops Mass Community and Fund-Raising Activities Dialogue Sessions, Briefings and Collaborations with External Stakeholders Television Commercials, Newspaper Advertisements, Radio Advertisements Company Visits 	<ul style="list-style-type: none"> Dedicated International Email Account Attendance at Overseas Meetings inSYNC (Corporate Newsletter) Facebook Page Sharing at Overseas Training Courses

Figure 1-3-2: CSR Communication Channels

1.3c How the organisation establishes its governance system for transparency and accountability that is consistent with statutory and regulatory requirements or guidelines, and the protection of stakeholder and stockholder interests, as appropriate

ESTABLISHING A CORPORATE GOVERNANCE SYSTEM

Singapore Customs' Corporate Governance Framework is shown in Figure 1-3-3. The Framework has also been incorporated in the Customs Departmental Orders (CDO). The Corporate Governance Framework looks into three areas of governance tools, namely, risk management, organisational controls and review mechanisms. These help to inspire confidence that Singapore Customs is a well-managed and reputable organisation with proper checks and balances in place.

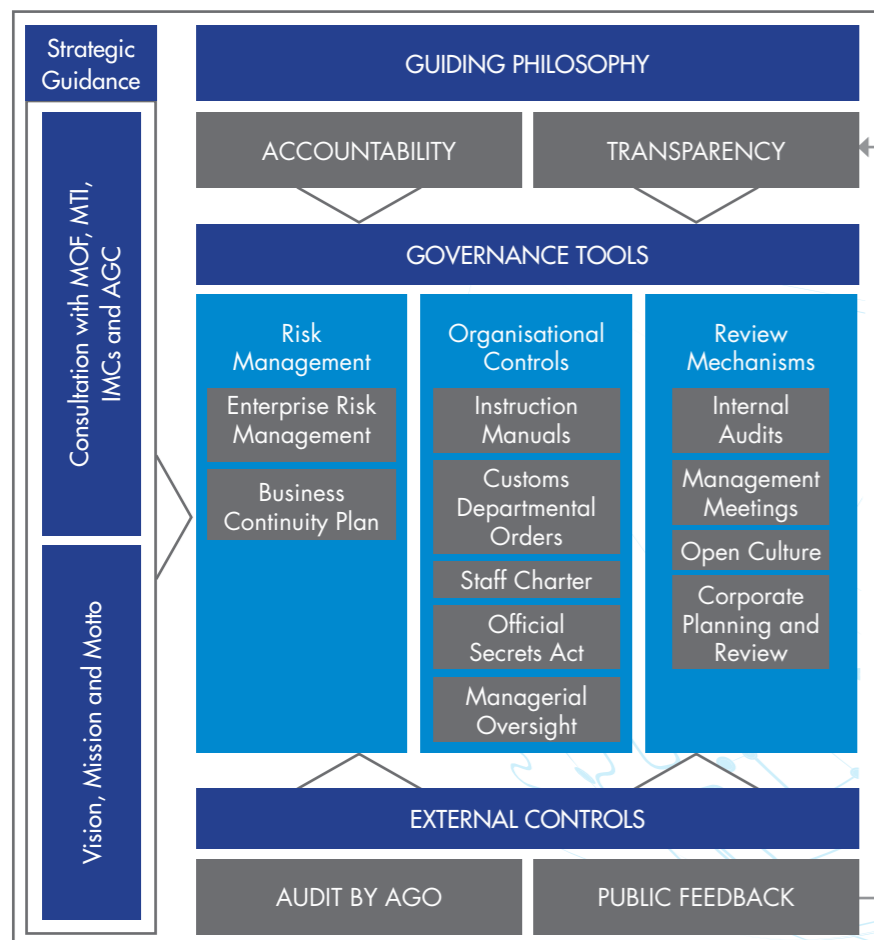


Figure 1-3-3: Corporate Governance Framework

1.3d How the organisation evaluates and improves its governance system, and its involvement and contribution to the community, society and the environment in which it operates

We evaluate our governance systems through findings from our governance tools and external controls. The CDO on Corporate Governance is also reviewed annually to ensure the elements stay relevant and effective. CSR is evaluated by committees in charge of the various programmes under the CSR Framework. Areas for improvements are then discussed and endorsed in PS21 Steering Committee Meetings.



PLANNING

PLANNING

Singapore Customs ensures that legitimate trade continues to flow unhindered, without compromising the security and integrity of Singapore's trading system. Our planning process synthesises information from internal and external sources to formulate plans for the present and the future.

2.1 STRATEGY DEVELOPMENT AND DEPLOYMENT

CORPORATE PLANNING PROCESS

Figure 2-1-1 shows our Corporate Planning Framework, which guides the translation of Singapore Customs' Vision, Mission and Values into strategies and plans through a robust cycle of horizon scanning to factor in changes in our operating environment. This, together with internal and external information that is collected and analysed, forms the basis for the annual corporate planning discussions. Continuous improvements are driven through timely reviews and evaluation.

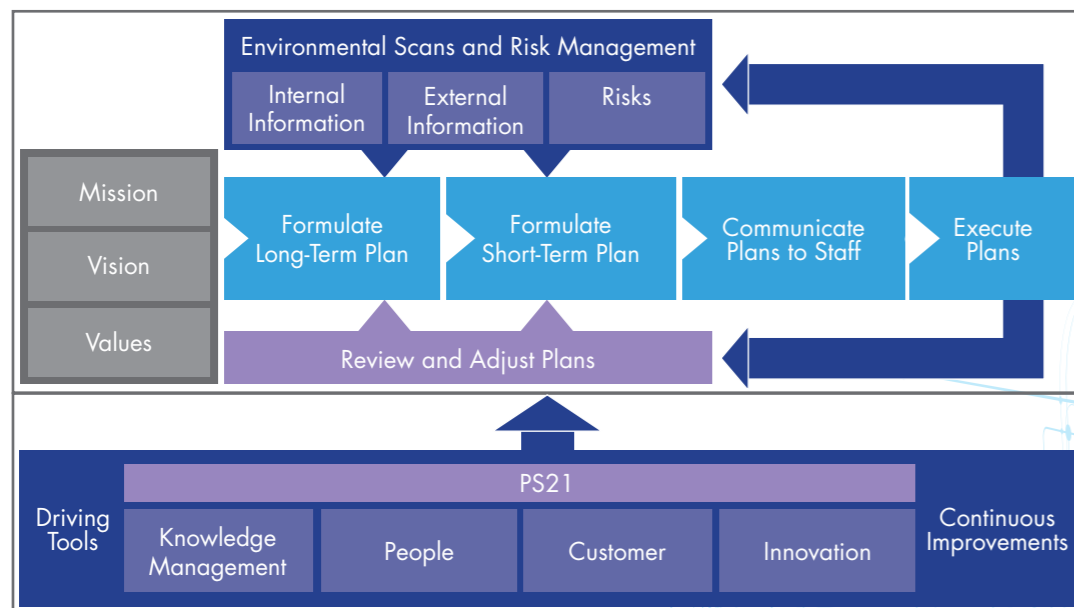


Figure 2-1-1: Corporate Planning Framework

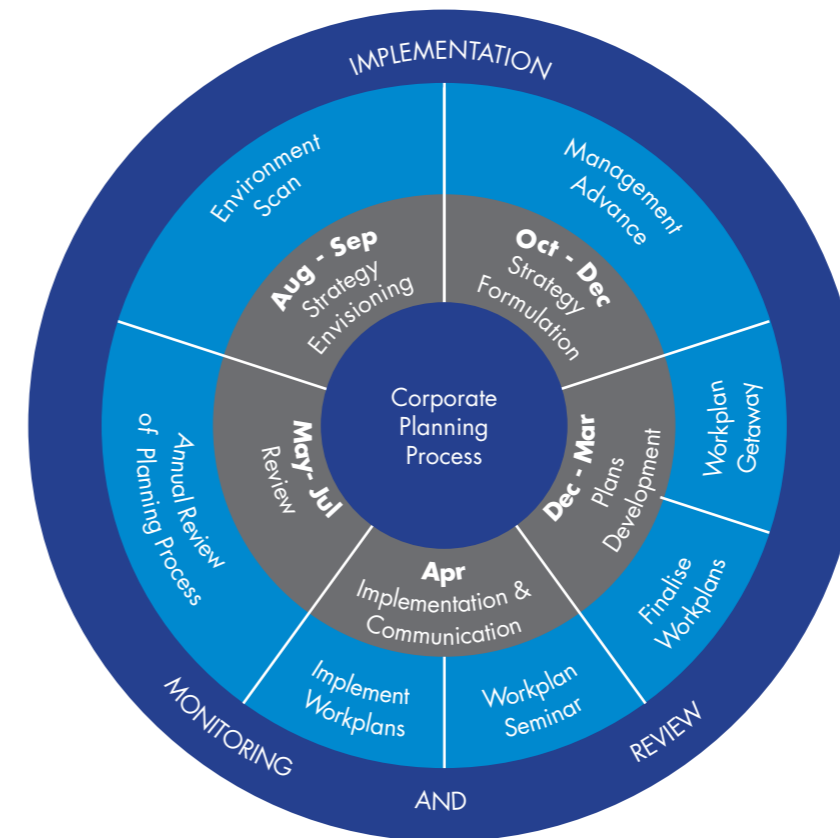


Figure 2-1-2: Corporate Planning Process

The Corporate Planning Process (see Figure 2-1-2) consists of five stages and involves the following:

PLANNING STAGE	ACTIVITIES	PARTIES INVOLVED	PURPOSE
Strategy Envisioning	<ul style="list-style-type: none"> Environment Scan 	<ul style="list-style-type: none"> SMGT Relevant Divisions 	<ul style="list-style-type: none"> Make sense of the internal and external operating environments Develop the annual Strengths, Weaknesses, Opportunities and Threats (SWOT)
Strategy Formulation	<ul style="list-style-type: none"> Management Advance 	<ul style="list-style-type: none"> SMGT All Divisions Line Managers 	<ul style="list-style-type: none"> Determine key issues, areas and drivers for the coming year
Plans Development	<ul style="list-style-type: none"> Workplan Getaway Finalise Workplans 	<ul style="list-style-type: none"> SMGT All Divisions Line Managers 	<ul style="list-style-type: none"> Translate priorities into division focus and initiatives Discussion to solicit inputs internally Finalise plans and key performance indicators (KPIs) for the financial year
Implementation and Communication	<ul style="list-style-type: none"> Workplan Seminar Implement Workplans 	<ul style="list-style-type: none"> SMGT All Divisions Line Managers All Staff 	<ul style="list-style-type: none"> Communicate key work items to staff Operationalise strategies and plans
Review	<ul style="list-style-type: none"> Review of the Corporate Planning Process 	<ul style="list-style-type: none"> SMGT Relevant Divisions 	<ul style="list-style-type: none"> Enhance effectiveness and maturity of planning process

Figure 2-1-3: Planning Activities and Purpose

2.1a How the organisation determines its strategic challenges, and how it develops its strategy and strategic objectives to address these challenges. Include how the organisation adopts a global perspective in its planning. Summarise the organisation's key strategic short-term and long-term objectives and goals.

DETERMINING STRATEGIC CHALLENGES

Given our dynamic operating environment and our multi-faceted roles, it is crucial that we look within and outside the organisation in strategic planning. We conduct environment scans to determine the organisation's SWOT annually and use this information to derive key plans in the long and short-term. The analysis and use of information to support organisational planning and review will be covered in detail in the Information Category.

STRATEGIES AND STRATEGIC OBJECTIVES – ADOPTING A GLOBAL PERSPECTIVE IN PLANNING

Customs 2015 is Singapore Customs' long-term plan. It highlights the key environmental drivers and issues that are likely to affect our work in the next five years, and develop strategic responses to deal with these issues.

The roles of Customs authorities are changing. It is no longer enough to perform the traditional role of revenue collection; increasingly prominent are new challenges in the areas of supply chain security and the need for greater trade facilitation. Complex supply chains transcend national boundaries and asymmetrical threats like terrorism and transnational crimes are bringing Customs agencies together to tackle these new challenges.

This culminated in the development of the five strategic thrusts of Customs 2015:

- Fostering international customs partnerships to enhance trade facilitation.
- Enhancing the security and resilience of Singapore's supply chain.
- Developing trade competitiveness through a pro-enterprise and integrated trade system.
- Protecting our economy and society through enhanced enforcement.
- Growing Singapore Customs through human capital development.

The strategic thrusts are translated into annual short-term plans through the corporate planning process.

STRONG ALIGNMENT THROUGH THE BALANCED SCORECARD

Singapore Customs uses the Balanced Scorecard (BSC) and Strategy Map to align the development of annual strategies and plans to Customs 2015. Each perspective is aligned to an area of excellence to develop rigorous and holistic action plans to drive our Good to Great journey.

“Our challenge today is to maintain an effective and robust regulatory regime that is able to adapt quickly to the changing dynamics of international trade and the growing complexity of supply chains. There is demand for both effective security and control of international supply chains as well as for efficient facilitation of legitimate trade. In both respects, Customs has been at the forefront of international advances.

In addressing all these challenges, Singapore Customs stands out for the integrity of its people and systems. Businesses from all over the world trust us for this reason, above everything else. I congratulate Singapore Customs on its accomplishments and contributions to Singapore's economic development and I have every confidence in its continued success.”

Deputy Prime Minister and Minister for Finance Tharman Shanmugaratnam, 'Foreword', 2010: Highway for Trade – Celebrating 100 Years of Singapore Customs

LONG-TERM AND SHORT-TERM GOALS

Corporate KPIs are identified to measure achievements of key desired outcomes under each key strategic objective. KPIs include:

- Key international rankings (World Bank *Doing Business*, World Economic Forum *Global Enabling Trade Report*).
- Traders' Satisfaction Index.
- Travellers' Satisfaction Index.
- Compliance rate indicators for key customs processes.
- Smuggling rate.
- Percentage of trade secured through STP, STP+ and STS Tier 2 and 3¹.
- EES results.

These KPIs are further supported by division-level indicators to ensure that operational performance delivers the key corporate outcomes. Such indicators are reported quarterly and the key results presented at the Customs Staff Meeting.

2.1b How the organisation converts its strategic objectives into action plans. Include how the financial and other risks associated with the plans are managed and how resources are allocated to support the plans.

The strategic thrusts of Customs 2015 are cascaded into action plans through the division workplans. Divisions are required to cascade the Corporate Strategy Map by contextualising their respective divisional roles and involvement, and identifying Divisional objectives that are aligned to the Corporate Strategy Map. Division-level initiatives and KPIs will be formulated to support the division objectives identified.

PURPOSE	OUR MISSION As the guardian of Singapore's trade, we uphold our laws to build trust, facilitate trade and protect revenue We make trade easy, fair and secure
VISION	OUR VISION A leading Customs that advances Singapore's economy by assuring the integrity of the trading system
STRATEGIC THRUSTS	Our Long-Term Plan Customs 2015
STRATEGIES	Our Short-Term Plan Strategy map
ACTIVITIES	Our Yearly Workplans Division workplans and KPIs

Figure 2-1-4: Cascading of Long-Term Strategies to Short-Term Goals and Action Plans

¹STP refers to the Secured Trade Partnership, Singapore's national supply chain security programme. STS refers to the Strategic Trade Scheme, a scheme to facilitate legitimate exporters of strategic goods and to enhance the control over the trade involving sensitive goods and technologies.

Singapore Customs' short-term strategies, developed and reviewed annually, covers a period of one to three years. These include strategies to address immediate concerns as well as those cascaded from long-term strategies. Figure 2-1-4 shows the cascading of long-term strategies to short-term plans.

PLANS DEVELOPMENT BY DIVISIONS

Divisions develop strategy maps to ensure all three perspectives of the BSC are adequately addressed at the divisional level, and formulate KPIs to track the progress of the action plans. KPIs are reviewed annually to ensure relevance and stretched targets are set based on past years' performance and comparative benchmarks. Divisions will also work out their financial and manpower requirements, and learning needs. The draft division workplans will be presented at the Workplan Getaway, where SMGT and line managers will deliberate and explore opportunities for cross-functional collaborations. After the Workplan Getaway, Divisions will fine-tune and finalise their workplans for approval.

PLANS DEVELOPMENT BY PS21 COMMITTEES

The division workplans, which cover our core work areas, are augmented by the four PS21 Working Committees' workplans.

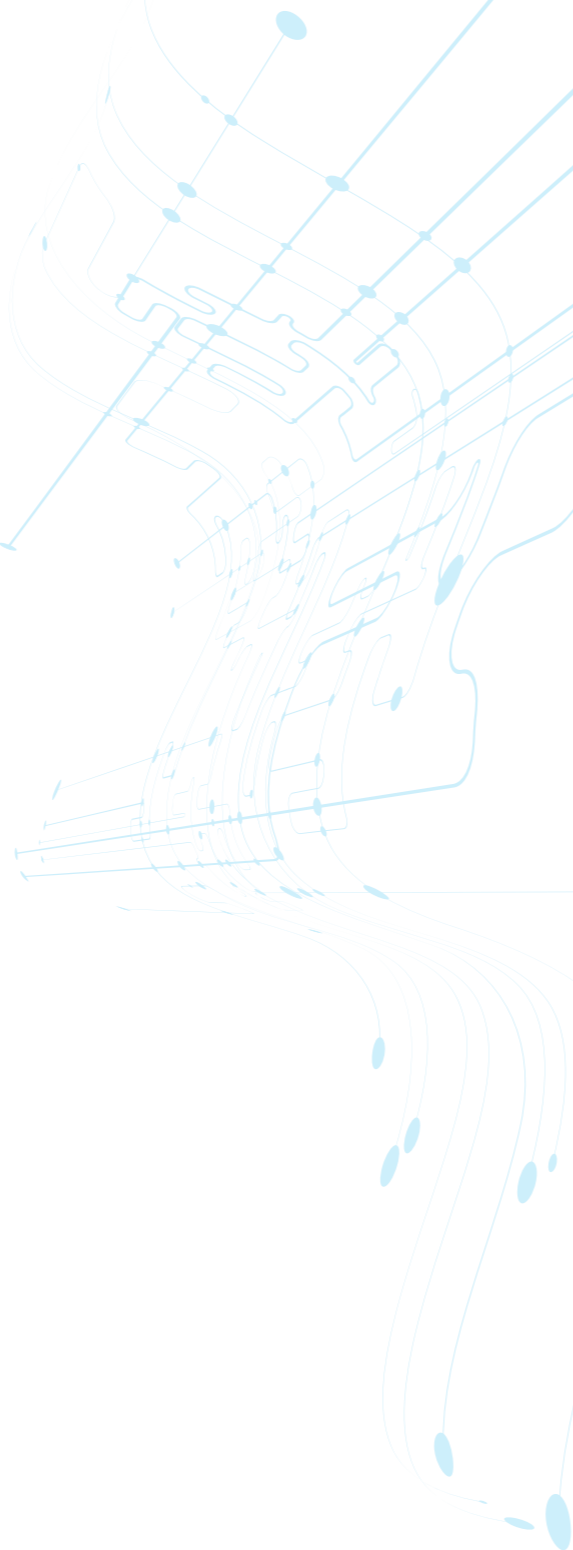
MANAGING RESOURCES

Requests for financial and manpower resources by divisions will be assessed by Finance Branch and the Human Resource Directorate respectively, taking into consideration the organisation's priorities to ensure resource optimisation. In addition to the allocated budget, other resources Singapore Customs can tap on to fund new initiatives include the Re-Investment Fund, Ministry of Finance Central Fund, etc.

RISK MANAGEMENT

As the guardian of Singapore's trade, we strive to find the right balance to ensure that sufficient controls are in place to interdict illicit trade, while legitimate trade continues to flow unhindered. This requires Singapore Customs to be adept at risk management. Incorporating risk management principles into our control measures has been second nature in our operations (refer to the article in *World Customs Organisation Asia Pacific Customs News* on the opposite page). In 2011, we extended our application of risk management to enterprise risk management (ERM), where risks are identified, assessed and controlled at an enterprise-wide level.

A risk identification and assessment exercise is conducted annually to identify and manage risks that may affect our strategic objectives. Sixteen enterprise risks have been identified to date and they include strategic, governance and operational risks.



Risk Management in Singapore Customs

Globalisation has resulted in the movement of large volumes of goods across geographical boundaries and the exponential increase in the value of world trade over the past few decades. With Singapore handling about one-fifth of the world's containers transshipment throughput, Singapore Customs apply Risk Management methodology at various stages of the permit approval and clearance process to maintain a good balance between controls and the need to facilitate legitimate trade. Our mission as guardians of Singapore's trade is to uphold our laws to build trust, facilitate trade and protect revenue whilst supporting Singapore's status as a global trade hub. We aim to make trade fair, easy and secure.



Controls and facilitation have often been assumed to be direct opposites. However at Singapore Customs, we strongly believe that they are just two sides of the same coin i.e. controls is part and parcel of trade facilitation. Our Director General, Mr Fong Yong Kian, has very aptly provided the following analogy:

"The trading system is like a busy expressway. The expressway is built to enable vehicles to cover the journey quickly, saving time and costs. Having an expressway alone is not enough, we also require traffic rules so that for example, vehicles travel within the speed limit, signal their intentions when they want to change lanes and observe traffic rules when overtaking. As you can imagine, driving down an expressway with no traffic rules whatsoever would be chaotic and very dangerous! The traffic police regulate the highway. When drivers are caught speeding or flouting traffic rules, they are dealt with accordingly. The traffic police ensure that traffic flows smoothly and safely for all motorists. But the higher purpose of the traffic police is not to slow traffic down or even arrest errant drivers, but to facilitate smooth-flowing traffic and peaceful journeys for law-abiding motorists."

Singapore Customs, being the regulator of the trade highway, applies Risk Management principles in its function as the highway police. The rules and procedures governing the use of this trade highway i.e. the control measures are essentially risk-based. Under a rigorous process, the control measures are continually reviewed. If we detect emerging risks in our operating environment, we will assess the risks, make the necessary adjustments or incorporate new control measures as appropriate to reduce our risk exposures without inhibiting

the flow of legitimate trade. Our control measures are designed to detect offences early and deal with them accordingly so that the trade highway can function smoothly. The risk assessment takes into account the compliance records of the traders-their capacity and willingness to comply. Those with poor compliance record will be subject to more frequent interventions whilst the vast majority who demonstrated the ability and willingness to comply will not be inconvenienced by unnecessary interventions. Hence, Risk Management is the key towards achieving the right balance between facilitation and controls.

Electronic permits have to be submitted and approved by Singapore Customs before the consignments are allowed to clear the Customs checkpoints. Traders usually engage the services of the declaring agents, who will have trained declarants to make the required submission.



Before the permit is approved, it will go through a series of validations. We have system validations and on-line processing to weed out erroneous declarations. For on-line processing, the declarants may be required to submit more supporting documents to substantiate their permit applications. A small number of permits will be rejected as the consignments do not meet our requirement. Conditions will also be imposed on selected permits for declarants to submit supporting documents to Singapore Customs for post-clearance verifications. We process about 9 million permits per year and 90% of these permits are approved within 10 minutes.

After the permit is approved, if it matches one of our profiles of suspicious consignments, it will be targeted through our targeting system for scan, check or sealing at the checkpoint. The profiles are created through detailed analysis of all the information available. Less than 1% of the consignments were targeted for interventions.

During checkpoint clearance, the checkpoint officers may also conduct scanning, checking and sealing for non-targeted consignments if the physical consignment exhibit tell-tale signs that arouse their suspicion. The other consignments are granted green lane clearance without any delays.

After the consignments have cleared the Customs checkpoint, consignments that are sealed at the checkpoints will be unstuffed under the supervision of Singapore Customs to ensure that the goods matches the permit details declared. Less than 0.1% of the consignments were sealed. In addition, targeted audits will also be periodically carried out on companies and the regularity of checks will depend on their risk profiles. *(Singapore Customs)*



2.1c How the organisation reviews its performance relative to its plans, and how it establishes and deploys modified plans in a timely manner.

MONITORING PROGRESS AND PERFORMANCE

Singapore Customs monitors the progress and performance of its initiatives and KPIs regularly through various channels. These channels allow divisions to surface updates to the appropriate level and enable SMGT to make informed decisions to guide the achievement of strategic outcomes by intervening where strategic guidance is required, and to address non-performance or declining performance.

The key structured update is done quarterly, to capture the performance of KPIs and to determine if initiatives are on track to completion. The quarterly update is also the time for divisions to take stock and determine if new initiatives are needed to address strategic or operational changes, and re-direct or close initiatives that have been overtaken by events, so that resources can be freed up to tackle new and emerging requirements.

2.1d How the organisation evaluates and improves its strategic planning process.

Singapore Customs reviews and improves our Corporate Planning Process annually before the start of the new planning cycle. The scope of our review includes:

- Robustness of the Corporate Planning Framework.
- Relevance of the corporate planning activities.
- Types of inputs and information required.
- New tools to be introduced in the planning process.
- Effectiveness of communication channels in directing the planning process.
- Effectiveness of the performance monitoring, measurement and tracking process.



INFORMATION

INFORMATION

A robust information and knowledge management process is critical for the effective functioning of Singapore Customs. Hence, seeking continual improvements in the ways we process and manage information and knowledge is critical for Singapore Customs to enhance our efficiency, meet new demands and continue to deliver excellent service to our customers.

3.1 MANAGEMENT OF INFORMATION AND KNOWLEDGE

3.1a How information needed to drive planning, day-to-day management and improvements to the organisation's performance is selected and collected. List the key types of information and describe how they are related to the organisation's performance objectives and goals.

APPROACH TO INFORMATION MANAGEMENT

Our approach to managing information (illustrated in Figure 3-1-1) is guided by four principles:

- Information must meet business needs.
- Information must be accurate and reliable.
- Information management is every staff's responsibility.
- Information handling must be compliant with statutory and governmental requirements.

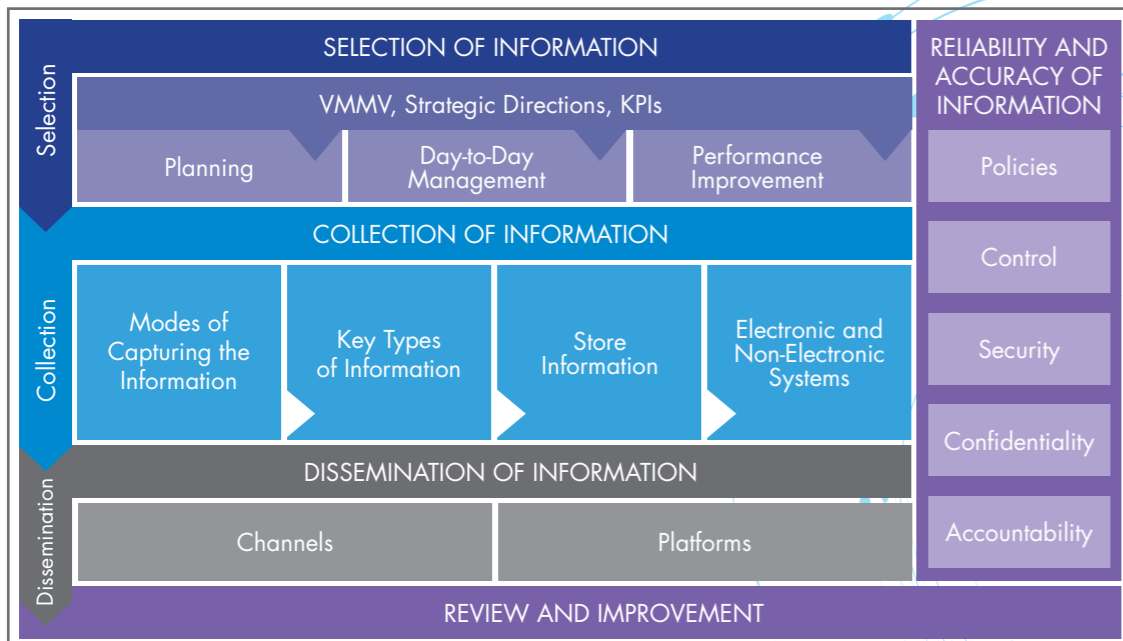


Figure 3-1-1: Information Management Framework

KEY TYPES OF INFORMATION – SELECTION AND COLLECTION

A wide range of information systems is deployed (see Figure 3-1-2) to support the diverse and complex nature of our work.

Collecting and Capturing Information	PLANNING AND PERFORMANCE IMPROVEMENT HIVE, ASSIST, eKMS, SC CONNECT DAY-TO-DAY MANAGEMENT TradeNet®, e-Customs, eData Warehouse, CEID, CRM, TCMS, OMS, WHERE, PaC@Gov, HRMS, NFS@Gov, GeBIZ
	PLANNING AND PERFORMANCE IMPROVEMENT External Developments, Strategic Challenges and Plans, Policy Directions, Progress of Initiatives, Performance Results, Trends Analysis, Ideas for Improvement, Learning Points DAY-TO-DAY MANAGEMENT Administrative and Financial Information, Intelligence Analysis, Enforcement Data, Staff Records, Customer Profiles and Requirements, Customer Feedback, Transaction Information, Suppliers and Partners Inputs
Information Sources	

Figure 3-1-2: Selection, Collation and Capturing of Information in Singapore Customs



3.1b How the organisation ensures that information is reliable and accessible and how it is disseminated quickly to employees, suppliers/partners and customers. Include how the organisation shares information to encourage learning and innovation.

ENSURING CONFIDENCE IN INFORMATION MANAGEMENT

Comprehensive mechanisms (see Figure 3-1-3) are put in place to ensure the integrity of information and safeguard the confidentiality of sensitive information. This ensures confidence in the systems as well as in the usage of information.

Ensuring Common Understanding	Policies Governing the management of information	<ul style="list-style-type: none"> Government's Instruction Manuals Customs Departmental Orders IT Security Policy
Ensuring Reliability	Accuracy Ensuring accuracy of the information and data collected	<ul style="list-style-type: none"> Stringent processing rules Reconciliation of returns Validation checks before data are accepted into the information systems User acceptance tests before implementation of information systems
	Security Protecting the information management systems	<ul style="list-style-type: none"> File traceability with the use of audit trails Firewalls and anti-virus software to prevent external intrusion Enhancements and requests for change are restricted to authorised officers only
	Accountability Administering the effective use of information	<ul style="list-style-type: none"> All employees play a role to ensure proper use and housekeeping of information Information Technology Branch supports the IT Steering Committee in overseeing information management in Singapore Customs Appointment of a Chief Information Officer for overall accountability of effective information management within Singapore Customs and alignment with Whole-of-Government efforts
Ensuring Availability	Confidentiality Managing sensitive information	<ul style="list-style-type: none"> Classification of information according to appropriate security levels Protection clause in email signature to warn about the unauthorised use, retention, reproduction or disclosure of information contained in emails
	Accessibility Ensuring access to information	<ul style="list-style-type: none"> Access rights granted according to the classification of information Business continuity planning to ensure access to information during crises Service level agreements to set out vendors' commitment to ensure 99.5% service availability for TradeNet® and 99.9% service availability for e-Customs Access controls of information management systems

Figure 3-1-3: Reliability and Accessibility of Information

DISSEMINATING AND SHARING INFORMATION

Singapore Customs makes use of various channels and platforms (see Figure 3-1-4) to disseminate and share information internally and externally.

AUDIENCE	DISSEMINATION CHANNELS	SHARING PLATFORMS
Employees	Electronic SC CONNECT (Intranet), Website, Learning Channel, eKMS, HIVE	Corporate Events Management Advance, Workplan Seminar, Customs Exchange, and InnoFest
	Publicity Collaterals Posters	Face-to-Face Sessions Customs Staff Meeting, PS21 Meeting, IT Steering Committee Meeting, Strategies Discussion Forum, Division/Branch Meeting, Townhall/Dialogue Session, HR Business Partnership Meeting with Divisions, and Mentor/Buddy Scheme
		Training Internal Courses, On-The-Job Training, In-Service Training, Knowledge for Sharing Sessions
		Learning Channel For sharing work-related tips and learning points
		Direct Marketing Channels Emails and Employee Engagement Surveys
Suppliers and Partners	Electronic Website, GeBIZ Website	Annual Exercises Business Continuity Exercises
	Print Media Service-Level Agreements, Circulars	Face-to-Face Sessions Visits to Suppliers, Meetings with Controlling Agencies, and Dialogue Sessions
		Direct Marketing Channels Emails
Customers	Electronic Website, TradeXchange® Website, Facebook, I-Changi Application	Monthly Training Sessions Customs Competency Programmes for Businesses
	Print Media Handbooks, Circulars, Brochures, Newsletters, Video, Media Releases, Signages at Checkpoints	Face-to-Face Sessions Account Managers' Meetings with Traders, Industry Outreach, Engagement with Associations, Dialogue Sessions, Seminars, Traders' Clinic, and Focus Group Sessions
		Direct Marketing Channels Emails, Customs Call Centre, Traders' Satisfaction Survey, and Travellers' Satisfaction Survey

Figure 3-1-4: Dissemination and Sharing of Information

3.1c How information is analysed and used to support organisational planning and review.

The use of information and its required sources are shown in Figure 3-1-2. Once information has been collected and validated, it is analysed and assessed to provide better understanding of emerging trends and developments, new requirements from staff, customers and partners, and our positioning in the marketplace. Figure 3-1-5 shows the analytical tools to support our organisational planning and review activities.

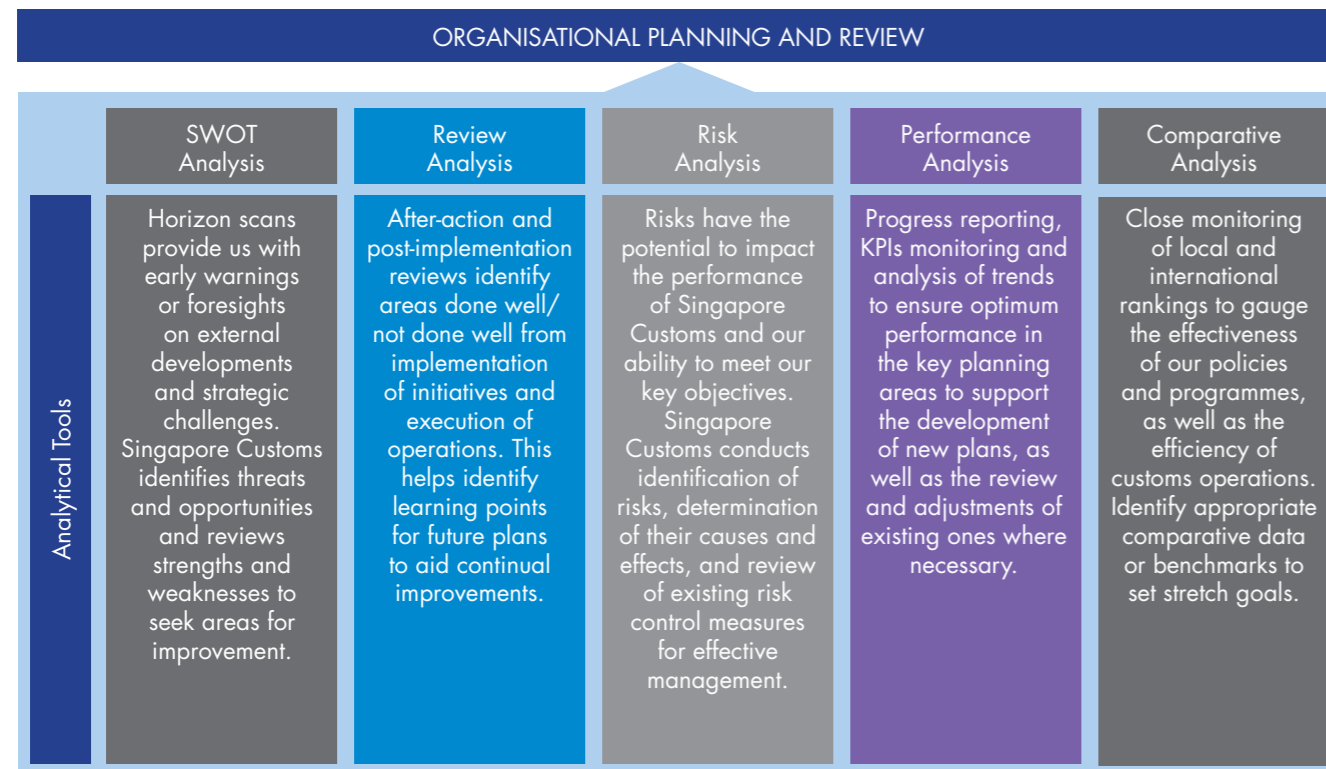


Figure 3-1-5: Analysis and Use of Information

3.1d How the organisation manages knowledge to create value. Include how knowledge is used or acted upon for business improvements.

There are two aspects of knowledge: explicit knowledge created from our documentation, which can be articulated and stored in the information systems shown in Figure 3-1-2, as well as tacit knowledge, which is embedded in individual experiences and shared through exchanges and development programmes listed in Figure 3-1-4.

Knowledge management (KM) within Singapore Customs is guided by the framework shown in Figure 3-1-6. A KM Committee, headed by the Chief Knowledge Officer (our Chief Human Resource Officer), was formed in November 2011 to drive KM initiatives and help our officers leverage on KM for greater value creation. The Singapore Customs Academy, launched in 2012, facilitates learning and development and the transfer of knowledge on customs procedures and requirements among staff as well as the trading and logistics communities.

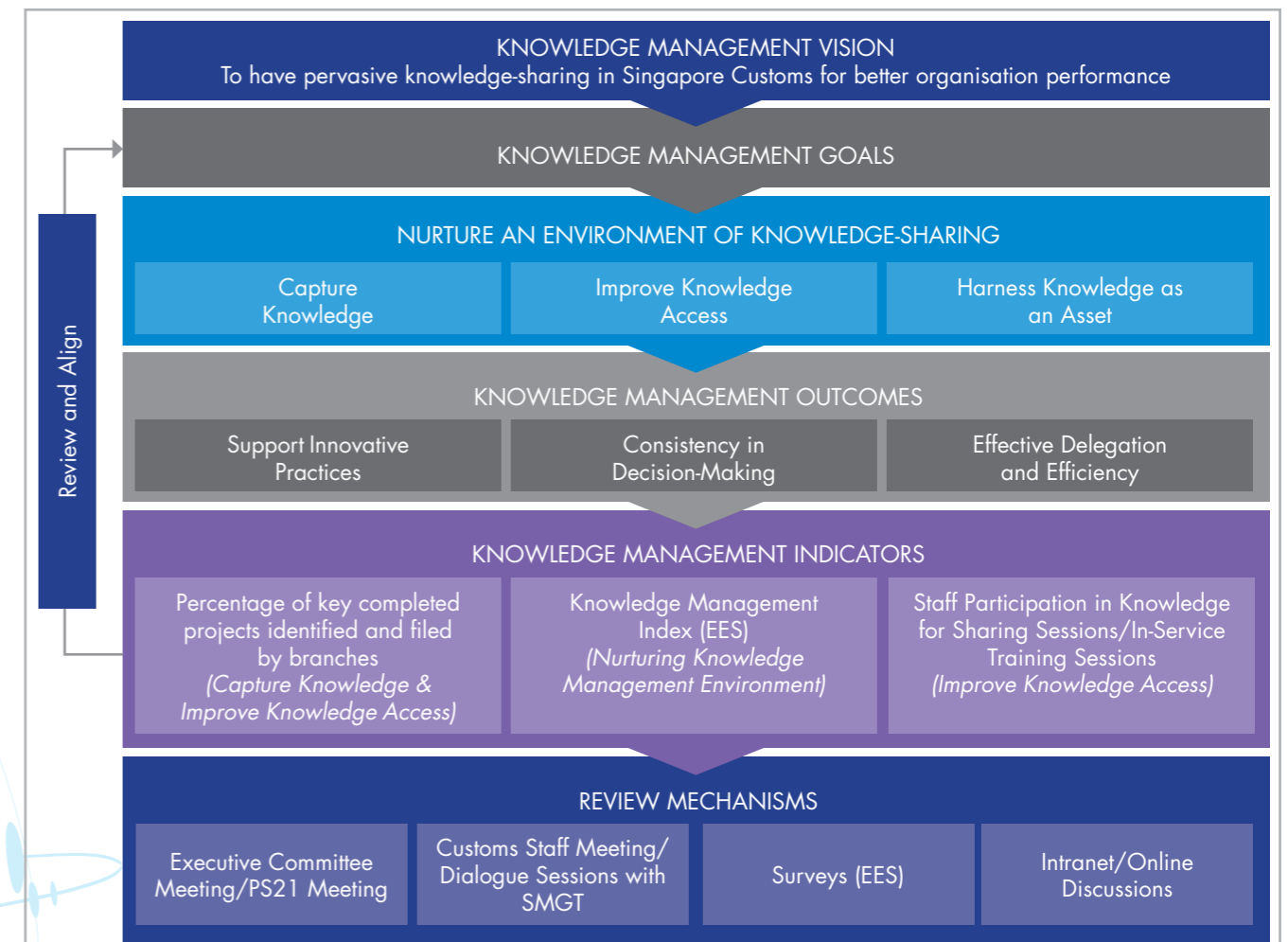


Figure 3-1-6: Knowledge Management Framework

3.1e How the organisation evaluates and improves its management of information and knowledge.

Structured mechanisms (see Figure 3-1-7) are put in place to continuously improve the management of information and knowledge to meet new demands. Singapore Customs has always played an active role in:

- Integrating information systems.
- Developing better exchanges with businesses and government agencies.
- Improving processes through information systems, which leads to higher productivity.

MECHANISM	STEPS
Periodic reviews	Regular engagement and corporate meetings to: <ul style="list-style-type: none"> • Study emerging trends and developments • Analyse new requirements of customers, partners and staff
Evaluation	Key factors to be considered during periodic reviews: <ul style="list-style-type: none"> • Adequacy of information systems • Effectiveness of information accessibility and dissemination channels • Willingness of staff to share insights, experiences, ideas and learning points • Effectiveness of platforms to share knowledge, foster learning and encourage innovation • Robustness of mechanisms to ensure information integrity • Information and knowledge management in comparison with other organisations
Enhancement	Recognise areas for improvements, for example: <ul style="list-style-type: none"> • Upgrading of information systems to meet new information needs • A wide spectrum of dissemination channels for greater outreach • Series of activities to bring about mindset change in staff, promote KM and encourage further sharing • More interactive platforms to store and share knowledge • Policy adjustments and system enhancements to ensure information security integrity

Figure 3-1-7: Review and Improve the Management of Information and Knowledge

Figure 3-1-8 shows improvements to ensure seamless exchange of critical and timely information among the key stakeholders across the supply chain and achieve fast and secure clearance of consignments at the checkpoints. This is done by integrating various critical systems from the public and private sectors.

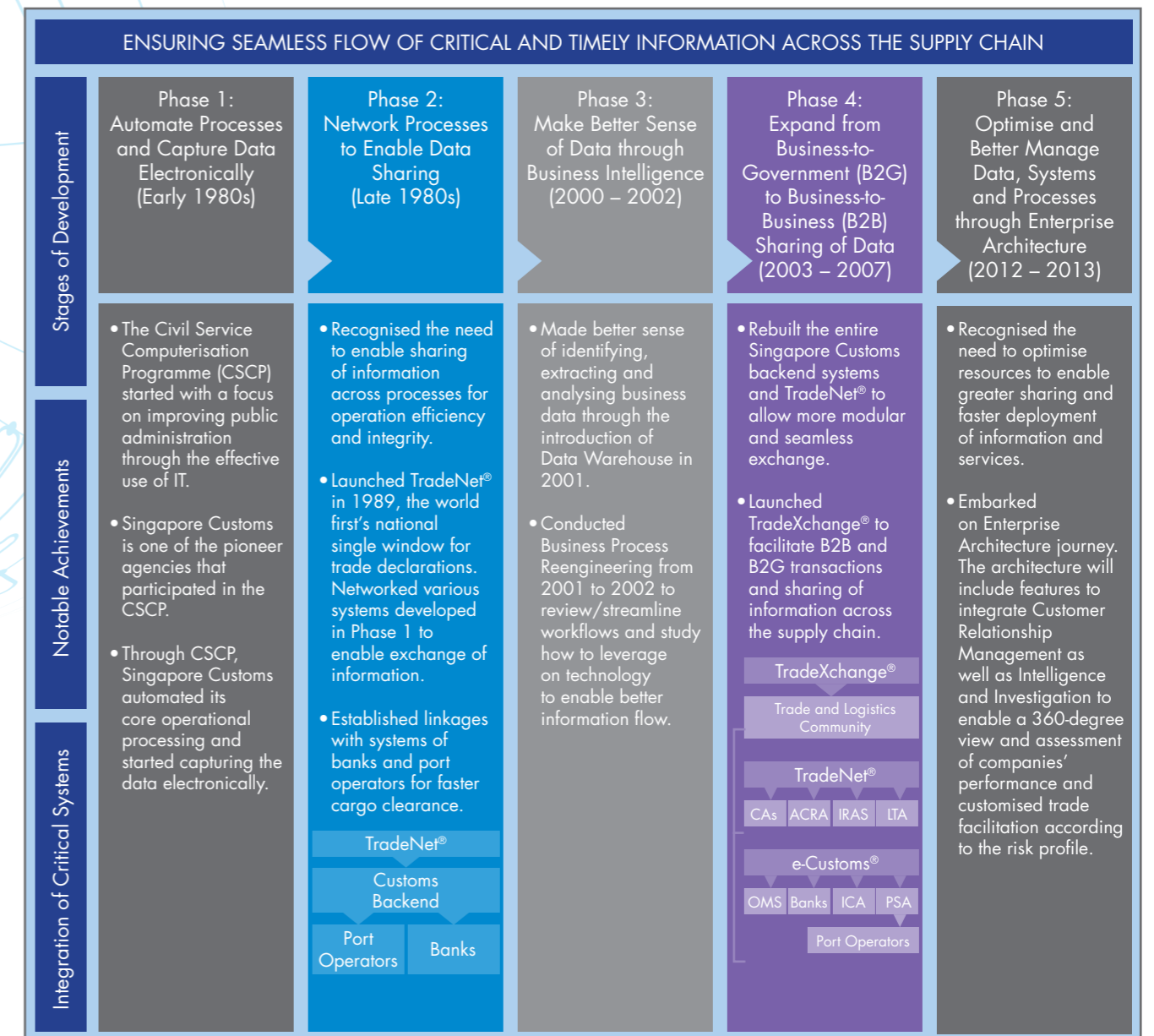
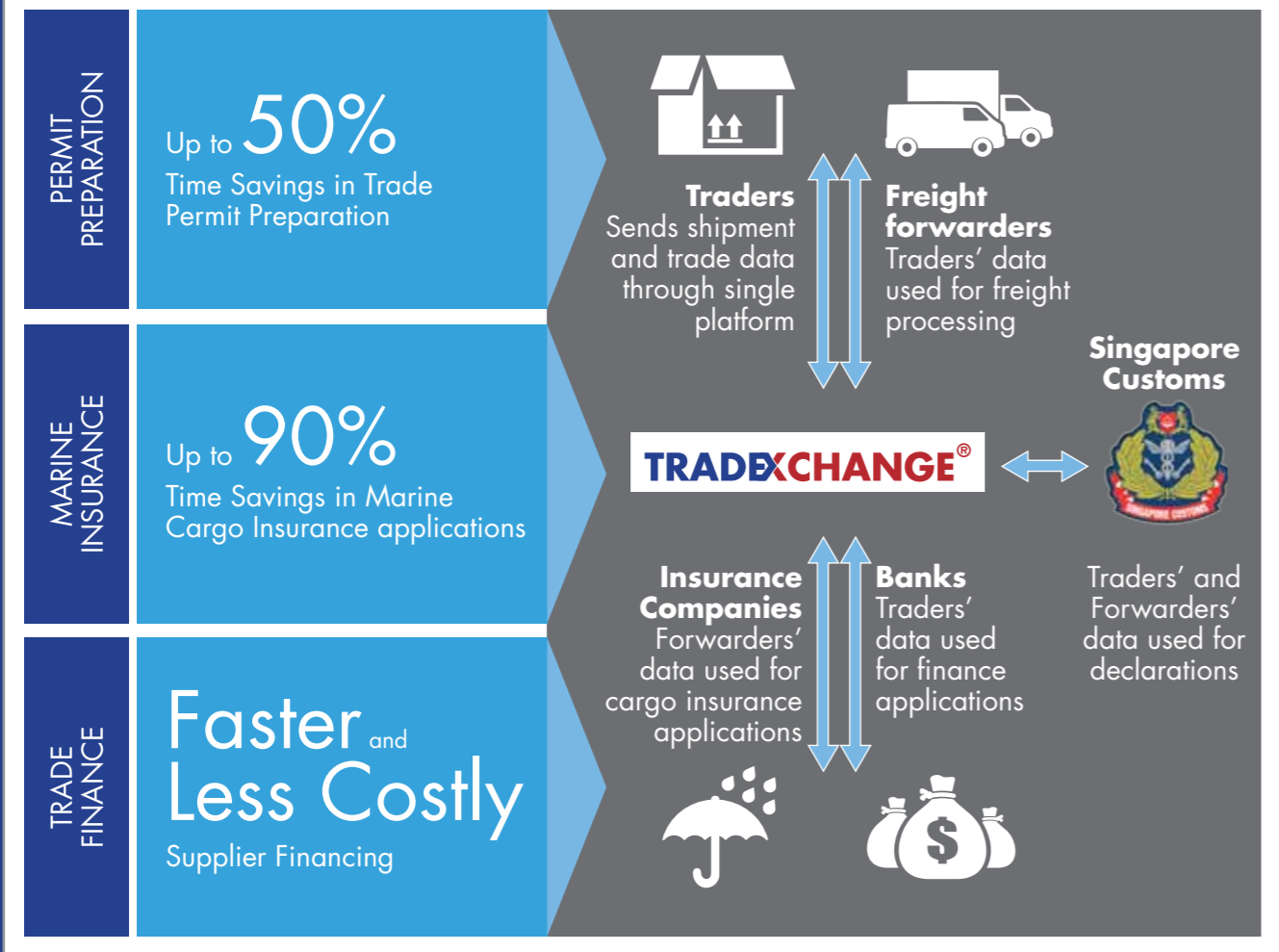


Figure 3-1-8: Improvements to Ensure Seamless Exchange of Critical and Timely Information across the Supply Chain

Enhanced Productivity and Business Agility Through TradeXchange®



Facilitating the exchange of information among commercial and regulatory systems to facilitate business-to-business (B2B) and business-to-government (B2G) transactions across the supply chain

Conceptualisation (2005 – 2006)	Introduce TradeXchange® (2007)	Call for Collaboration (2009)	Enhance Service Offerings (2011)
Recognised that TradeNet® facilitated B2G transactions only. Users have to access disparate, stand-alone systems to perform other B2B trade transactions. There is a need to have a neutral IT platform that enables information exchange between commercial entities and government agencies.	Launched the TradeXchange® to enable companies across the supply chain, to share and exchange information for greater operation efficiency and supply chain visibility. Value-added Service Providers could leverage on the network and data in TradeXchange® to develop new/enhanced innovative solutions for the trade, finance and logistics communities.	Singapore Customs, Economic Development Board (EDB), SPRING Singapore and Infocomm Development Authority of Singapore (IDA) jointly issued Call for Collaboration to invite companies to form consortia to integrate their trade and logistics IT systems, business processes and data through TradeXchange®. Businesses enjoyed clearer supply chain visibility, faster shipment turnaround and higher productivity due to more timely exchanges of information and documents across their partners in the value chain.	Continued efforts to level up players and enhance trade facilitation and documentation. TradeXchange® introduced Document Exchange (DocX) to enable easy and secure sharing of electronic documents among authorised business partners in finance management, marine cargo insurance, freight management and other trade-related areas. Industry participants have also come together to develop and implement the following specifications to facilitate B2B document exchanges: (1) Marine Cargo Insurance, (2) Trade Finance and (3) Trade Permit Integrated Chain.

3.2 COMPARISON AND BENCHMARKING

3.2a How comparative and benchmarking information is selected to improve the organisation's performance.

APPROACH TO LEARNING FROM OTHERS

Singapore Customs has a strong external focus to maintain our standing as a leading Customs administration. Our approach to learning from others is shown in Figure 3-2-1.

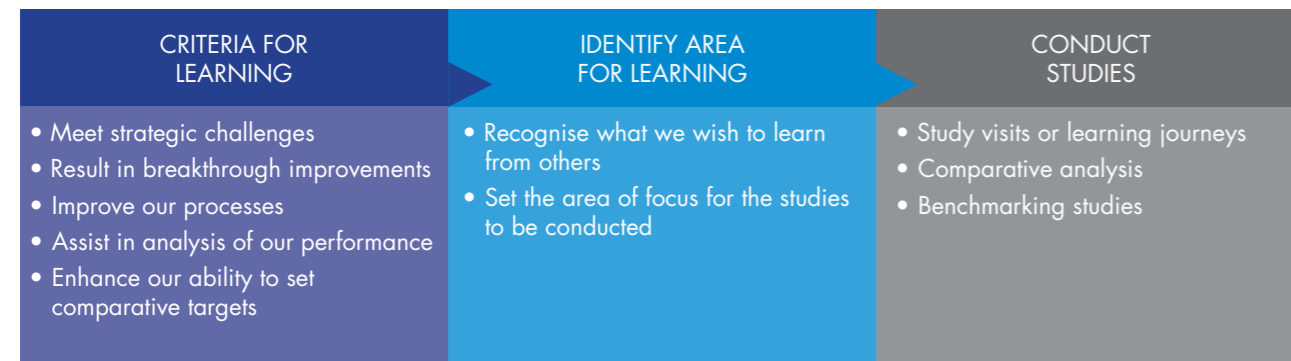


Figure 3-2-1: Approach to Learning from Others

CRITERIA FOR COMPARISON AND BENCHMARKING

Figure 3-2-2 shows how Singapore Customs decides to conduct study visits or learning journeys, comparative analysis, or benchmarking studies with our counterparts and best-in-class organisations.

STUDIES	DESCRIPTION
Informal Benchmarking	
Study Visits or Learning Journeys	<ul style="list-style-type: none"> Carried out to gain an understanding in the areas we wish to learn from The visits can highlight potential areas for benchmarking studies
Comparative Analysis	<ul style="list-style-type: none"> Carried out to assess our performance against that of our counterparts and best-in-class organisations to gauge the effectiveness of our policies and programmes, and to identify comparative data or benchmarks to set stretched goals Conducted by close monitoring of local and international rankings
Formal Benchmarking	
Benchmarking Studies	<ul style="list-style-type: none"> Carried out for areas that are strategically important and will result in breakthrough improvements Conducted by analysing the business processes of our counterparts or best-in-class organisations that deliver superior results

Figure 3-2-2: Criteria for Study Visits or Learning Journeys, Comparative Analysis and Benchmarking Studies

3.2b How comparative and benchmarking information is used to improve processes and to set stretch goals and/or encourage breakthrough improvements. Include a summary of comparative and benchmarking activities and studies done.

Singapore Customs sits at the crossroads of international trade. We keep in touch with our customers and international counterparts. We stay on top of the game by constantly learning from best-in-class organisations. Study visits, learning journeys, comparative analysis and benchmarking studies are conducted to learn from others, not just in our industry but also across functional areas and expertise. For example, the appointment of relationship managers and account managers to better understand the needs of traders was a concept we learnt from banks.

Another example where Singapore Customs drew inspiration from others to create our unique solutions is TradeFIRST, which stands for Trade Facilitation and Integrated Risk-based System. Singapore Customs aims to make our facilitation schemes more transparent, responsive, flexible to businesses, to the extent of being able to offer customised solutions but not at the expense of higher levels of risk or non-compliance. After careful studies of overseas Customs administrations such as Germany, Sweden, and the Netherlands, we launched our unique single trade facilitation window in 2010 for traders. TradeFIRST is designed for transparency, flexibility and the ability to offer customised facilitation for our customers.

Singapore Customs' benchmarking process is shown in Figure 3-2-3.

Plan	<ul style="list-style-type: none"> Identify areas for benchmarking Plan the required resources State the expected outcome Obtain approval from SMGT
Data Collection	<ul style="list-style-type: none"> Define scope and methodology Select benchmarking partners
Analysis	<ul style="list-style-type: none"> Information gathered is analysed against our practices and performance Findings and proposed recommendations are communicated to senior management
Implement Action	<ul style="list-style-type: none"> Develop action plans to implement recommendations
Monitoring and Review	<ul style="list-style-type: none"> Approved recommendations and action plans will be tracked as initiatives in the division workplans

Figure 3-2-3: Benchmarking Process

3.2c How the organisation evaluates and improves its overall process of selecting and using comparative and benchmarking information.

Singapore Customs regularly reviews our approach to learning from others. For instance, a formal benchmarking process based on the TRADE (Terms of Reference, Research, Act, Deploy, and Evaluate) benchmarking methodology was developed in June 2010. The enterprise risk management (ERM) benchmarking study was a pilot study using the formal benchmarking process. The benchmarking process was also reviewed by the ERM benchmarking working group and a guide on comparison and benchmarking was developed for use in future studies.



PEOPLE

PEOPLE

In Singapore Customs, we put people at the heart of everything we do. We focus on winning the hearts and minds of our staff and keeping them energised and engaged so that they will feel that they are all part of one big Singapore Customs family. We have strengthened our people-focused efforts over the years, with the setting up of a Human Resource (HR) Directorate, appointment of Chief Human Resource Officer (CHRO), and enhancing our engagement efforts to reach out to all staff in the organisation.

4.1 HUMAN RESOURCE PLANNING

4.1a How organisation develops its human resource strategies, policies and plans. This includes how the human resource strategies, policies and plans are aligned to the strategic plans.

Singapore Customs' HR planning process starts with an annual review of HR plans in line with the corporate planning cycle. The HR strategic objectives are reflected in the Learning and Growth perspective of the BSC of the organisation. Line managers are involved at the strategic level to provide inputs as well as the operational level to implement the HR plans.

The alignment of HR strategies, goals and performance measurements to Singapore Customs' strategic objectives is shown in Figure 4-1-1. The overall strategies are also guided by HR policies.

VISION, MISSION, MOTTO AND VALUES Singapore Customs 2015 Thrust 5 – Growing Customs through Human Capital Development Becoming an Employer of Choice	STRATEGIC OBJECTIVES	HR STRATEGIES	HR GOALS	PERFORMANCE MEASURES
	Strengthen Internal Collaboration	<ul style="list-style-type: none"> Engage and consult HR partners Build effective communication channels with internal customers Enhance staff engagement 	<ul style="list-style-type: none"> An engaged and satisfied workforce 	<ul style="list-style-type: none"> Staff engagement index in EES Percentage of staff involvement in HR engagement activities Percentage of staff satisfied with Townhall Sessions Staff turnover rate
	Recruit and Develop Leaders	<ul style="list-style-type: none"> Identify and develop leaders 	<ul style="list-style-type: none"> A visionary leadership team capable of leading Singapore Customs to greater heights 	<ul style="list-style-type: none"> Leadership and culture index in EES Leadership pipeline and benchstrength Feedback from 360-degree exercise
	Build Capacity for Change	<ul style="list-style-type: none"> Enhance staff engagement Be an employer of choice Streamline HR rules and procedures Harness technology to enhance HR capabilities and management 	<ul style="list-style-type: none"> A high-performing, innovative and productive workforce capable of helping Singapore Customs achieve our strategic objectives 	<ul style="list-style-type: none"> Staff engagement index in EES Number of HR procedures streamlined Reasons for staff exit Staff turnover rate
	Develop Broad and Deep Knowledge	<ul style="list-style-type: none"> Develop competent and professional staff Enhance learning capabilities on knowledge and culture sharing 	<ul style="list-style-type: none"> A professional and competent workforce capable of responding quickly to changing operating environment and needs of customers 	<ul style="list-style-type: none"> Learning and development index in EES Percentage of staff satisfied with Knowledge for Sharing Sessions Average training hours per staff

Figure 4-1-1: HR Strategies and Goals

4.1b Describe the organisation's human resource requirements and plans, based on the organisation's strategic objectives and plans.

The planning of HR requirements is aligned with our annual corporate planning cycle. This ensures that there is sufficient manpower to support the implementation of the workplans.

Human resource availability and staffing requirements are critical. Hence Singapore Customs gets the right people at the right time and develop them to their fullest potential. The entire process from the placement of the recruitment advertisement to notification of the successful candidate is done quickly to ensure that we do not lose out in the competition for talents.

4.1c How organisation uses feedback to improve human resource strategies, policies and plans.

The review cycle and involvement of line managers and other stakeholders (including the union) is shown in Figure 4-1-2. Singapore Customs also launched a series of HR transformation projects in 2010 to transform HR by seeking views from staff.

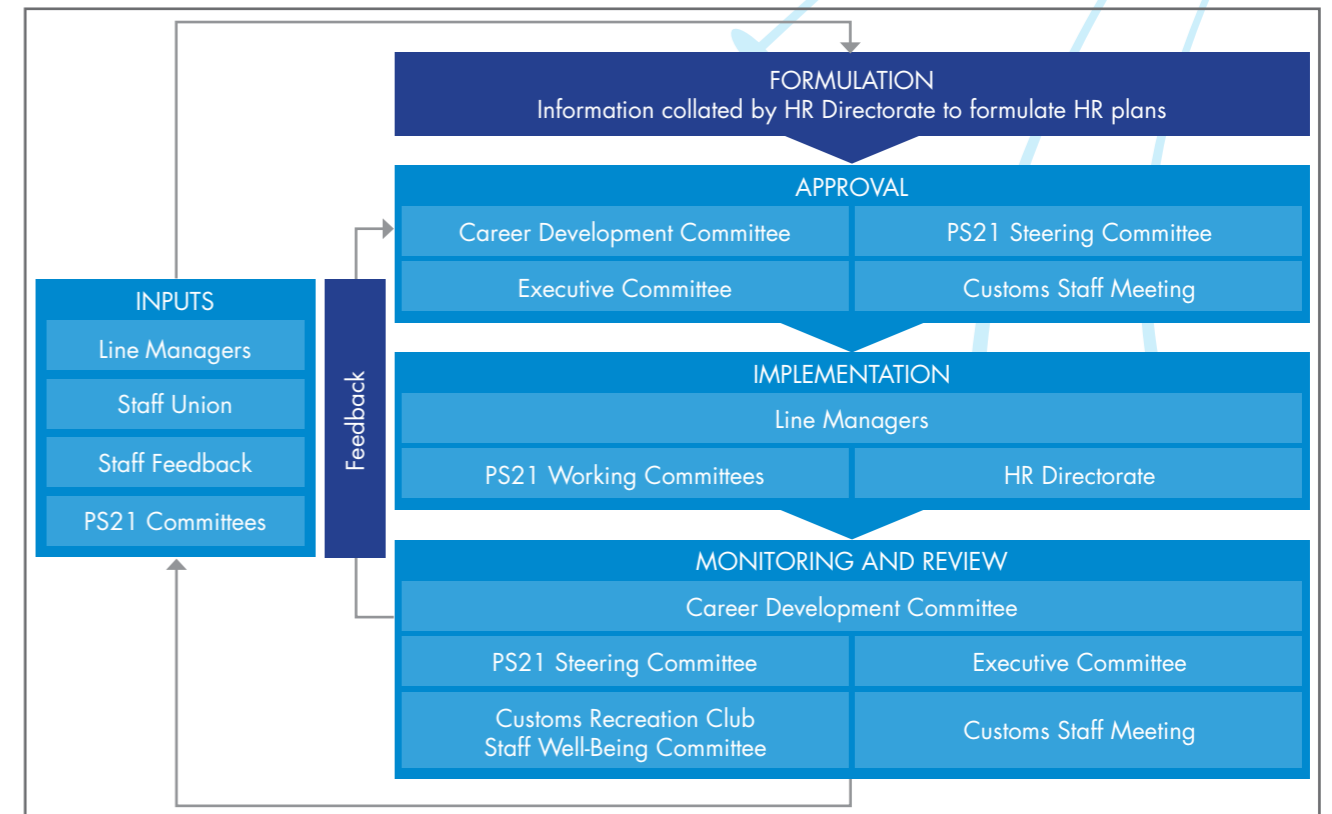


Figure 4-1-2: Review of HR Strategies, Policies and Plans

Singapore Customs seeks feedback at different levels and through various channels (shown in Figure 4-1-3). The feedback provides useful inputs on HR matters, which are considered in reviews and improvements.

LEVELS	FORMAL FEEDBACK CHANNEL	INFORMAL FEEDBACK CHANNELS
Individual	<ul style="list-style-type: none"> • Staff Appraisals • HR Clinics • Staff Suggestion Scheme • Mentor Scheme • Exit Interviews 	<ul style="list-style-type: none"> • Discussion with Supervisors • Personal Meetings with the CHRO and DG
Branch	<ul style="list-style-type: none"> • Branch Meetings 	<ul style="list-style-type: none"> • Dialogue with Branch Heads • HR Business Partnership with Line Managers
Organisation	<ul style="list-style-type: none"> • EES • HR Business Partnership • HR Townhall Sessions • Customs Staff Meeting, PS21 Steering Committee • Question-and-Answer Session with SMGT at Corporate Events • Staff Union 	<ul style="list-style-type: none"> • Discussion Forum on SC CONNECT • DG Tea/Lunch/Dialogue Sessions

Figure 4-1-3: Feedback Channels for Improvement



Figure 4-1-4 shows the improvements made to various HR fields from 2009 till 2011, in response to feedback provided in the EES conducted in 2009.





 <p>STRENGTHENED LEARNING AND DEVELOPMENT</p> <p>Developed Singapore Customs Orientation Programmes:</p> <ul style="list-style-type: none"> • SCOOP I • SCOOP II <p>Developed Singapore Customs Milestone Courses:</p> <ul style="list-style-type: none"> • Foundation Programme • Intermediate Programme <p>Developed Singapore Customs Specialised/Generic Courses:</p> <ul style="list-style-type: none"> • Customs Investigation Officer Course • Detecting Irregularities in Trade Documents • Theme-Based Investigation and Interviewing Skills • Service Excellence Programme • Innovation Programme <p>Developed E-Learning on Customs legislation and other legislation administered by Customs</p> <p>Conducted coaching sessions for middle managers as part of 360-Degree Follow-Up</p> <p>Increased individual training fund from \$1000 to \$1500</p> <p>Extended the list of items claimable under Personal Development Fund</p>	 <p>STRENGTHENED CAREER DEVELOPMENT</p> <p>Enhanced Open Posting System to Managed Posting System for Singapore Customs Specialists</p> <p>Introduced New Job Titles for all staff</p> <p>Developed clearer Career Tracks for our officers</p> <p>Conducted Director-General's Dialogue Sessions with Senior Officers (5 years in service and below) on Career Progression</p>	 <p>STRENGTHENED COMMUNICATIONS AND STAFF ENGAGEMENT</p> <ul style="list-style-type: none"> • Revamped Intranet (SC CONNECT was launched in 2011) • Launched staff newsletter e-SClusive in 2010 • Created one-stop Employee Portal <p>Created Bringing Out The Best In You (BOTBIY) form to facilitate meaningful conversation between supervisors and staff during staff appraisal</p> <p>Conducted extensive Townhall Sessions to reach out to staff to impart knowledge on HR issues, create awareness on our excellence journey and announcements of staff well-being and recreational activities</p> <p>Increased frequency of DG Tea and Lunch Sessions with staff</p> <p>Implemented HR Business Partnership</p> <p>Implemented HR Clinic for staff to speak to us in private</p> <p>Increased number of sessions for Customs Exchange</p> <p>Created monthly Staff Rendezvous networking event for staff to mingle</p> <p>Streamlined HR Contact Points</p>
 <p>STRENGTHENED OUR VALUES AND CULTURE</p> <p>Redefined Value Statements</p> <p>Created Desired Culture Statement</p> <p>Permeated Values and Culture through Values House System, Values Jingle, Values Models</p> <p>Developed Staff Charter</p> <p>Promoted importance of teamwork through Teambuilding Activities (intra-divisional, inter-divisional and organisation-wide)</p>		

Figure 4-1-4: HR Improvements from 2009 to 2011

4.2 EMPLOYEE ENGAGEMENT

4.2a The strategies adopted and the mechanisms available to encourage and support individual and team participation in achieving organisation's goals and objectives.

4.2b The process of implementation of the mechanism for employee engagement and the review of their effectiveness.

Singapore Customs uses the five-step employee engagement strategy shown in Figure 4-2-1 to keep our staff engaged and energised.

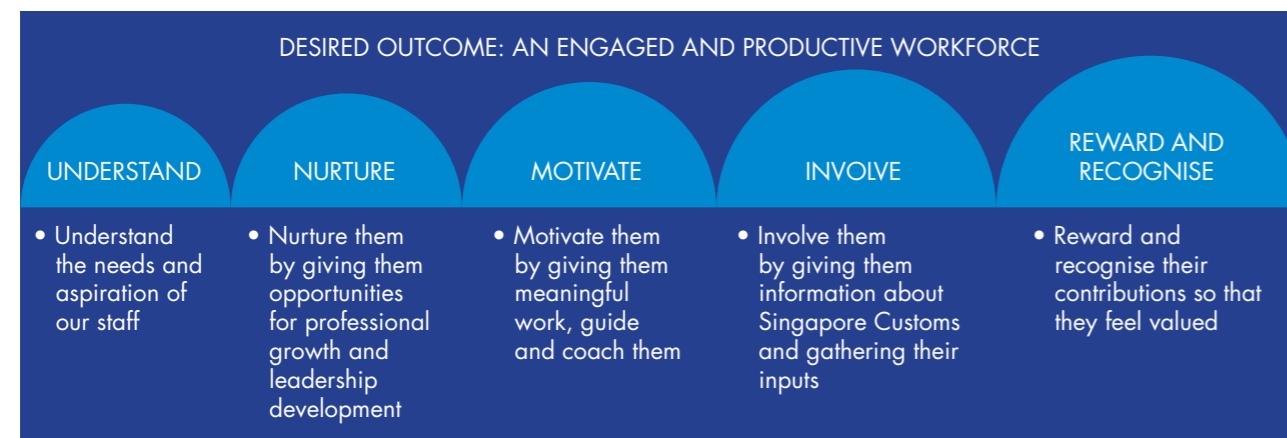


Figure 4-2-1: Employee Engagement Strategy

The overall employee engagement process is shown in Figure 4-2-2.



Figure 4-2-2: Employee Engagement Process

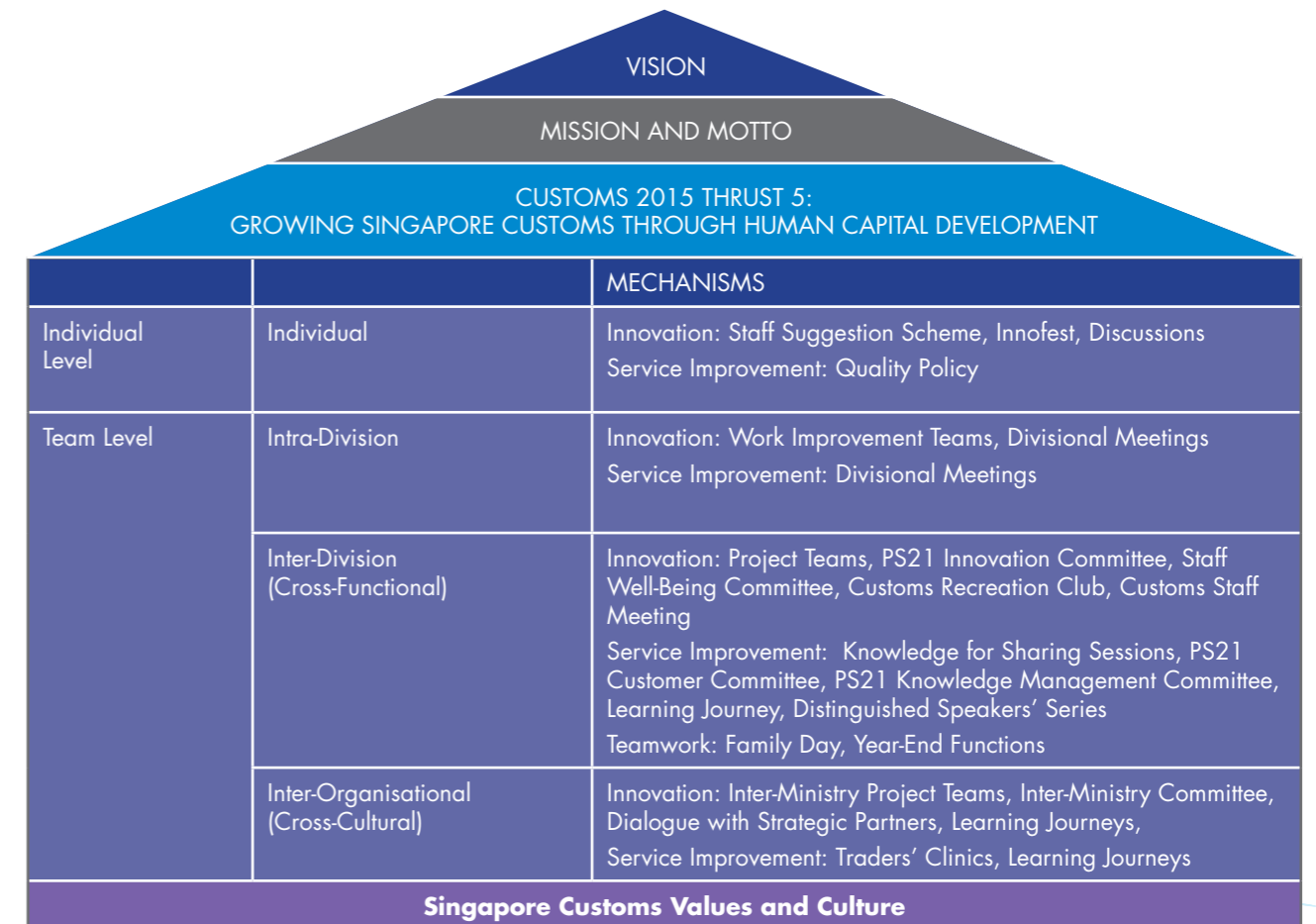


Figure 4-2-3: Employee Engagement Mechanisms

Employee engagement mechanisms shown in Figure 4-2-3 provide employees with developmental opportunities to practise and acquire leadership skills, and develop teamwork, presentation, innovation and organisational skills. Employees identified as having high potential are involved in the PS21 committees and could also be appointed to lead project teams and other cross-functional teams.

The review of the effectiveness of these engagement mechanisms is done by the branches and committees overseeing the implementation. Oversight is maintained through the PS21 Steering Committee, Customs Staff Meeting and Executive Committee to ensure that improvements made are coordinated, followed through, and reviewed regularly.

4.2c How the organisation evaluates and improves its overall employee engagement process.

The overall employee engagement process is evaluated and reviewed by Senior Management mainly through the PS21 Steering Committee, Customs Staff Meeting and Executive Committee. Gaps identified in the engagement process are also discussed thoroughly to ensure proper follow-up actions are taken.

4.3 EMPLOYEE LEARNING AND DEVELOPMENT

4.3a How the organisation identifies the learning and development needs for all employees to support its goals and objectives.

4.3b How learning and development opportunities are delivered, and reviewed for their contribution to individual and organisational effectiveness.

Employees are expected to take charge of their own learning needs and line managers are expected to provide guidance to their staff. This distribution of responsibility is outlined in our learning accountability framework (see Figure 4-3-1). The Singapore Customs Academy was also set up in 2012 to raise staff professionalism.

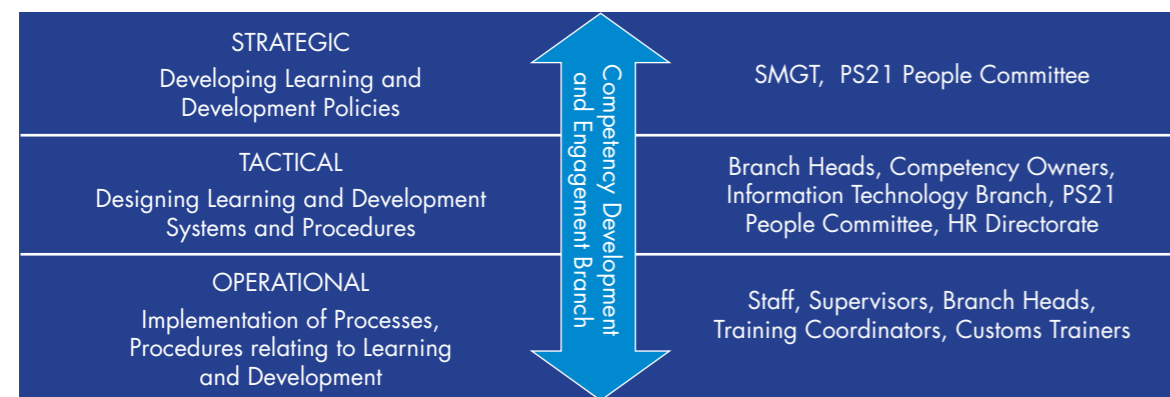


Figure 4-3-1: Learning Accountability Framework

Figure 4-3-2 provides us with an overview of the learning and development framework.

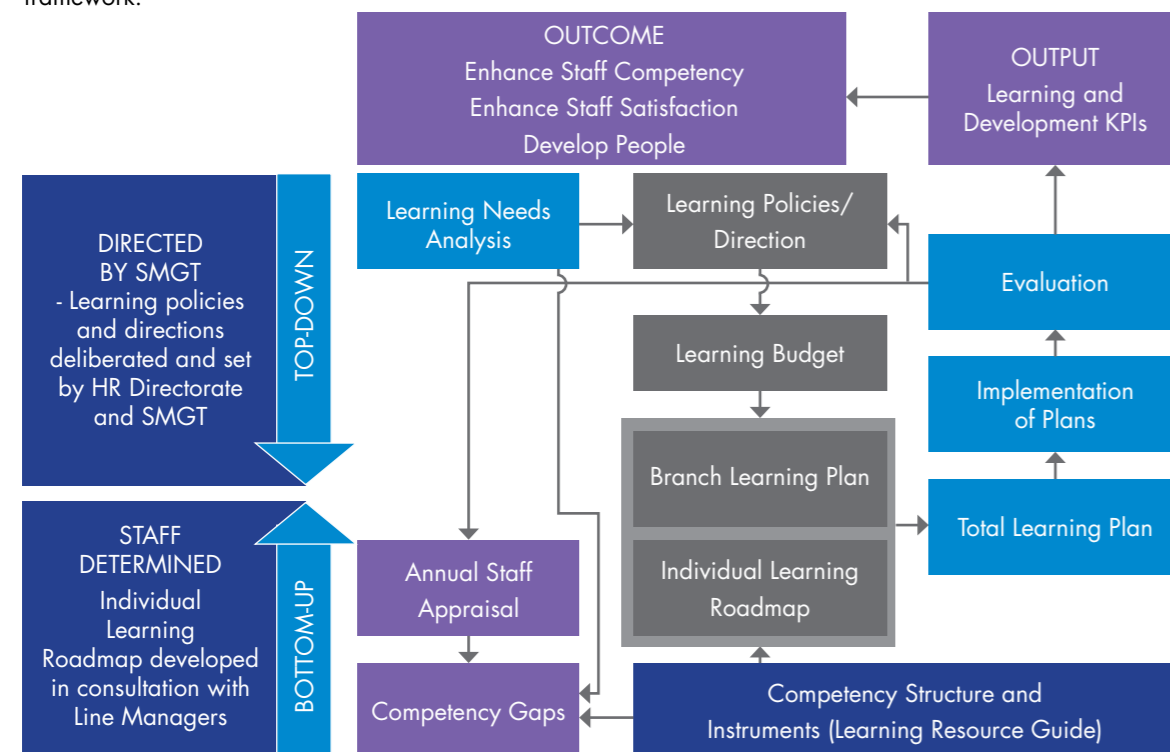


Figure 4-3-2: Learning and Development Framework

Singapore Customs develops officers with T-shaped competencies (broad skills and depth of expertise). The competency structure comprises three segments as shown in Figure 4-3-3 below:

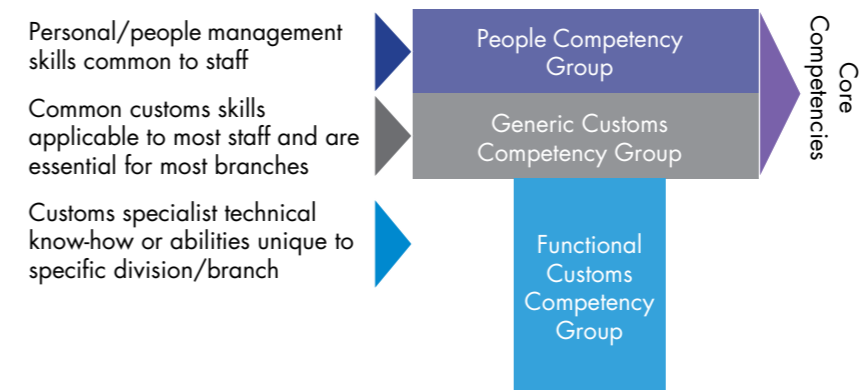


Figure 4-3-3: Competency Structure for Singapore Customs Officers

Courses to help new and existing employees develop customs competencies (under the generic learning roadmaps) have been identified.

Apart from courses to address specific competencies, a range of other training programmes are also made available to help officers achieve learning outcomes, including:

- Service Excellence Programme – how to provide good service and handle difficult customers.
- Bringing out the IDEAS in You! – tools and techniques to brainstorm and select ideas.
- Cut Red-Tape Programme – solutions to meet customers' needs/requirements.
- Learning/Sharing Programmes (for example, on-the-job training, knowledge for sharing sessions, e-learning) – to encourage sharing of knowledge across branches/divisions.
- Learning Journeys – understand our partners' processes, and learn the best practices of Business Excellence award winners.
- Customs Milestone Courses (for example, the Singapore Customs Officer Foundation Programme for officers 3-6 months in service, Singapore Customs Officer Intermediate Programme for senior officers 3-5 years in service) to cater to officers at their different career stages.

4.3c How the organisation evaluates and improves its overall learning and development process.

Our training review process is described in Figure 4-3-4.

TRAINING REVIEW PROCESS			
Pre-Course Staff and supervisor jointly set expectations, learning objectives and goals	Immediately after course Course feedback to assess effectiveness of trainer and materials	1 week after course Review expectations, learning objectives and goals with supervisor	3 months and beyond Assess effectiveness of training and whether it has translated into tangible work improvements during appraisal process

Figure 4-3-4: Training Review Process

Staff foundation programmes and induction programmes are carried out for new recruits as well as existing staff who have been given new job functions. Details are provided in Figure 4-3-5.

ORIENTATION (For new recruits)	INDUCTION (For employees assuming new appointments)
Briefing on: <ul style="list-style-type: none"> • Singapore Customs and Public Service through: <ul style="list-style-type: none"> - SC Officer Orientation Programme (SCOOP) Part I & II - Public Service Induction Programme (For Senior Officers) • Branch set-up, functions and roles, work schedule • Employee's general roles, responsibilities and expectations • On-the-job training to familiarise to new work requirements 	Briefing on: <ul style="list-style-type: none"> • Branch set-up, functions and roles, work schedule • Employee's responsibilities and expectations

Figure 4-3-5: Orientation and Induction

Our Managed Posting System provides scheduled transfers to give employees opportunities to be exposed to different areas of Singapore Customs' work as part of their career development.

Career tracks for Singapore Customs officers are communicated to all staff through various channels. Officers go through the employee development process shown in Figure 4-3-6 where talents are identified and further developed under the Leadership Talent Development Framework.

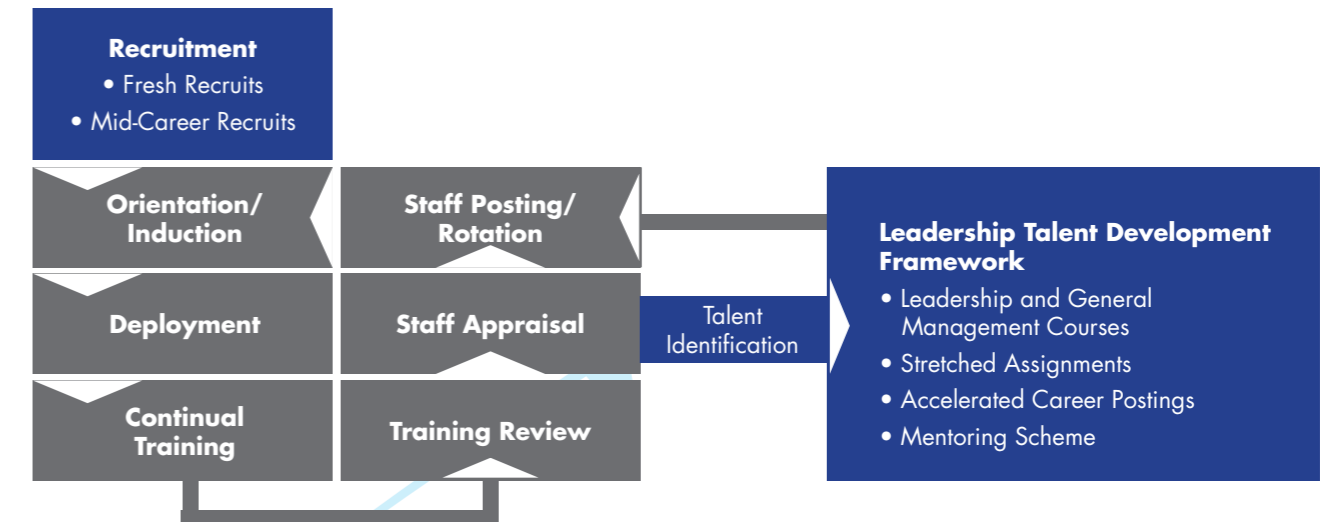


Figure 4-3-6: Talent Development Process

Our Leadership Development and Succession Planning Framework is shown in Figure 4-3-7.

IDENTIFICATION	DEVELOPMENT	RETENTION
<ul style="list-style-type: none"> • Current Estimated Potential (CEP) assessment for every officer by line managers and SMGT • Discussion by Career Development Committee on promising officers • Annual ranking and promotion exercise 	<ul style="list-style-type: none"> • Career development monitoring by Career Development Committee • Learning and development by line managers and HR Directorate • Complementary activities by line managers and HR Directorate • Coaching and mentoring by HR Directorate 	<ul style="list-style-type: none"> • Succession planning by HR Directorate • Leadership pipeline by HR Directorate • Appointments by HR Directorate

Figure 4-3-7: Leadership Development and Succession Planning Framework



Singapore Customs' learning planning cycle starts with the staff appraisal process. Monitoring and evaluation of the training is conducted throughout the financial year (April to March).

This continuous monitoring, together with feedback and inputs from various sources, will be fed into the annual review process conducted by HR Directorate (shown in Figure 4-3-8).

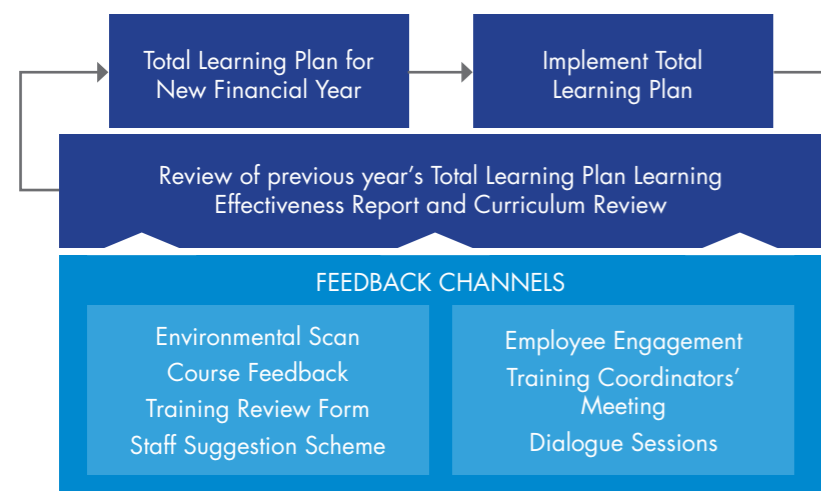


Figure 4-3-8: Training Review Cycle

HR Directorate will conduct the annual review of the total learning plan at the beginning of each financial year. Our intensified effort in improving learning and development in Singapore Customs was appreciated by staff who gave positive feedback about this area during EES 2011, making it the most improved area compared to EES 2009.

4.4 EMPLOYEE WELL-BEING AND SATISFACTION

Singapore Customs was awarded the Platinum Health Award by the Health Promotion Board in 2010.

4.4a How the organisation develops a supportive work environment that enhances employee well-being and satisfaction, and promotes a harmonious relationship between management and unions/employees. Include how the organisation supports the needs of a diverse workforce.

Singapore Customs improves employee health and satisfaction across four areas and through a series of programmes (see Figure 4-4-1) with the aim of developing the Singapore Customs desired culture.

EMPLOYEE HEALTH AND SATISFACTION			
Health, Fitness & Safety – Promote Health and Fitness	Financial Well-Being – Increase Financial Awareness	Work-Life Harmony – Greater Work-Life Balance	Staff Bonding and Welfare – Bring Staff Closer
Fitness <ul style="list-style-type: none"> Health Screening Fitness Classes Health Talks Weekly Time-off for Exercise E-Healthy Digest Active Day Sports Day Safety <ul style="list-style-type: none"> First Aid Course Safety Instructions/Briefings Risk/Hardship Allowance Fire Drills 	<ul style="list-style-type: none"> Customs Co-operative (Loans and Savings) Insurance Competitive Salaries Talks on Savings and Investments Talks on Retirement Planning 	<ul style="list-style-type: none"> Tele-Commuting Scheme Flexi-Hours Eat-With-Your-Family Day Family Day Tots@Work Back to School with Parents Paternity and Maternity Leave Child Medical Leave Childcare Leave Parent-care Leave 	<ul style="list-style-type: none"> Open-Office Concept Open-Door Policy Birthday Vouchers and Cards Corporate Discounts Singapore Customs' Surprise Teambuilding Exercise Dinner and Dance/Family Day Happy Hour Staff Rendezvous Divisional Lunch Department Outings Sports Competitions Celebrate Completion of Major Projects Charity Bazaar Staff Appreciation Day

Figure 4-4-1: Employee Well-Being Framework

To promote employees-union relations, regular dialogues, including DG dialogues, tea sessions and SMGT's divisional and branch meetings, are held regularly between management and employees. Union engagement is conducted at the organisation, ministry and public sector levels. A union representative also attends the PS21 People Committee meeting when there are relevant topics on the agenda.

SMGT participates in activities organised by the Staff Well-Being Committee and the Customs Recreation Club and in teambuilding exercises held by their respective Divisions, to build rapport with employees. EES results (see Figure 4-4-2) show that our SMGT demonstrates concern for the well-being of employees.

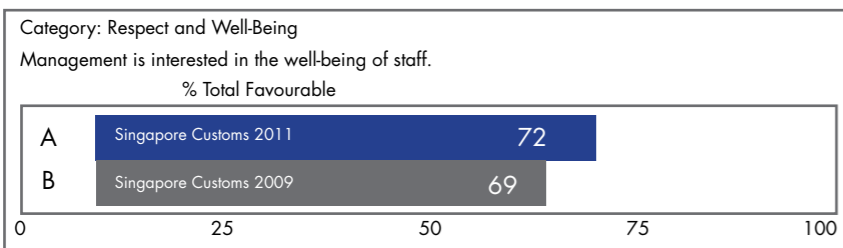


Figure 4-4-2: Results Obtained for Respect and Well-Being Index in Employee Engagement Survey 2011

Singapore Customs encourages transparency and open communication on our HR strategies, policies, systems and processes via the following means:

- Public Service Division's Guidelines on recruitment, remuneration, benefits and conduct – Government Intranet.
- Customs Departmental Orders – SC CONNECT.
- HR policies and programmes – Employee Portal on SC CONNECT.
- Presentation slides shared at HR Townhall Sessions are also uploaded onto the Employee Portal.

Line managers communicate their staff's performance and development with them during the appraisal. The open-office concept also encourages open communication between staff of different levels and the "open-door policy" is practised by line managers and SMGT – staff are free to approach their superiors to discuss matters of concern to them.

4.4b How the organisation measures and assesses employee well-being and satisfaction.

Singapore Customs uses both direct and indirect means to measure employee satisfaction, as shown in Figure 4-4-3.

MEASUREMENT TOOLS		ANALYSIS PLATFORMS	IMPLEMENTATION
Direct	Indirect		
<ul style="list-style-type: none"> • Employee Engagement Survey • Post-activity Feedback 	<ul style="list-style-type: none"> • Staff Suggestion Scheme • MC Rate • Attrition Rate • Aggregated Health Screening Results • DG Tea/Lunch/Dialogue Sessions 	<ul style="list-style-type: none"> • EES results discussed in detail at Customs Staff Meeting and Executive Committee • HR Directorate recommends activities to close the gaps identified • Post-activity feedback analysed by HR Directorate and relevant committees • Recommendations to close gaps are discussed at Executive Committee Meeting, Customs Staff Meeting and PS21 Steering Committee Meetings • Focus group discussions with relevant groups of officers for more in-depth discussion on feedback submitted 	<ul style="list-style-type: none"> • Recommendations to close gaps are implemented by Committees/HR Directorate

Figure 4-4-3: Employee Satisfaction Measurement Tools

4.4c How the organisation evaluates and improves its approach to enhancing employee well-being and satisfaction.

The programmes and activities implemented are evaluated based on various performance indicators. Singapore Customs also has a series of channels such as the PS21 Working Committees and various dialogue sessions to engage employees in identifying issues of concern and assessing overall staff sentiments.



4.5 EMPLOYEE PERFORMANCE AND RECOGNITION

4.5a How the organisation's employee performance and recognition systems support high performance, innovative and creative behaviour and achievement of objectives and goals.

To build a performance driven culture, Singapore Customs uses the Public Service's AIM model to assess the performance and potential of our employees. The model covers the following qualities:

- **Analytical and Intellectual Capacity** – Sense of Perspective (key quality for innovation), Analysis and Judgement.
- **Influence and Collaboration** – Influencing and Inspiring, Developing Capability in Others, Collaboration and Engagement (key quality for customer-focused culture).
- **Motivation for Excellence** – Achieving Results, Commitment and Accountability.

In addition to the AIM model, Singapore Customs evaluates whether staff exhibit our values and promotes a people-centric culture. Besides using the PRAISE system for annual staff appraisal, Singapore Customs makes use of a Bringing Out the Best in You (BOTBIY) form, which requires supervisors to go through a list of questions related to Singapore Customs' values and staff satisfaction. This form was specially designed to encourage supervisors to deepen their communication with staff and enrich the feedback process so that supervisors can better understand their staff's needs.

Mid-year work review is done to ensure that staff are on track and performing optimally and to address any ongoing career developmental issues so that remedial actions can be taken before the end of the year. The year-end work review is done to assess work performance, discuss strengths and weaknesses and set work and training targets for the coming year. To ensure fair appraisal, annual cross-division ranking sessions are conducted to assess employee performance, potential and suitability for promotion.

Singapore Customs has in place a myriad of monetary and non-monetary awards to encourage officers to strive for continual improvement, not just in their work performance but also in innovation and service excellence (see Figure 4-5-1).

PERFORMANCE FACTORS	PERFORMANCE MANAGEMENT SYSTEM	REWARDS AND RECOGNITION	
		Monetary Awards	Non-Monetary Awards
Achieving Set Goals and Targets	<ul style="list-style-type: none"> • Mid-Year and Annual Performance Appraisals • Annual Current Estimated Potential and Performance Grade Ranking • Special Projects • Values Disposition 	<ul style="list-style-type: none"> • Performance Bonus • Merit Increment • Promotion Increment 	<ul style="list-style-type: none"> • Promotion Ceremony
Outstanding Performance	<ul style="list-style-type: none"> • Mid-Year and Annual Performance Appraisals • Annual Current Estimated Potential and Performance Grade Ranking • Special Projects 	<ul style="list-style-type: none"> • Annual Director-General Award • Outstanding Enforcement Award • Marksman Award • Singapore Customs Trainer Award • Singapore Customs Scholarship • Singapore Customs Sponsorship • Learning and Development Award 	<ul style="list-style-type: none"> • Secondment • World Customs Organisation Certificate of Merit • Public Service Awards • National Day Awards
Innovation Excellence	<ul style="list-style-type: none"> • Suggestions Submitted • Innovation Projects • Work Improvement Team Projects 	<ul style="list-style-type: none"> • Ministry of Finance Group Level Awards • Pro-Enterprise Panel Awards – Best Suggestion • Pro-Enterprise Panel – Singapore Business Federation Pro-Enterprise Award • Outstanding Project Award • Innovation Award • Annual Best IDEAS Achiever Award • Annual High Savings Award • Monthly/Annual Best IDEAS Award • Monthly Best Suggestor Award • Monthly Lucky Draw for Suggestors 	<ul style="list-style-type: none"> • Awards at Team Excellence Symposium • PS21 ExCEL Awards.
Service Excellence	<ul style="list-style-type: none"> • Public Compliments Received • Branch Nominations Received 	<ul style="list-style-type: none"> • Civil Service Long Service Award • Service Performance Incentive Scheme • Service Excellence Award 	<ul style="list-style-type: none"> • PS21 Star Service Award • Excellent Service Award (EXSA)

Figure 4-5-1: Employee Performance and Recognition

4.5b How organisation evaluates and improves its performance and recognition systems.

Singapore Customs works closely with the Public Service Division to ensure that the remuneration and benefits offered to our staff are competitive and benchmarked with the relevant sectors. Singapore Customs regularly studies the award schemes of other organisations to benchmark with Singapore Customs' schemes and seek areas for improvement. Staff are also involved in conceptualising the awards.

Singapore Customs evaluates and improves its performance and recognition system regularly, based on the channels listed in Figure 4-1-3 and via the tools listed in Figure 4-5-1.



PROCESSES

PROCESSES

As an innovative Customs agency, Singapore Customs leverages on technology to bring about innovations to give Singapore a competitive edge. For example, in 1989, we pioneered the world's first national trade single window system, TradeNet®. In 2007, we introduced a national IT platform, TradeXchange®, that connects and integrates players in the trading, logistics and finance communities to raise productivity. We continue to partner our key clients and suppliers to co-create solutions for mutual benefits.

5.1 INNOVATION PROCESSES

5.1a How innovation management processes support value creation. Include how creative ideas are harvested, evaluated and implemented.

Singapore Customs defines "innovation" as "creating value by doing something better or in a new way". We classify innovation as Big "I" (breakthroughs with significant impact) or small "i" (incremental improvements). Every idea is evaluated before implementation, and those requiring substantial evaluation and implementation are captured as "i-Projects".

INNOVATION FRAMEWORK

Our innovation eco-system (shown in Figure 5-1-1) promotes the free exchange of ideas and innovation. The core of the eco-system is the innovation framework, which comprises seven key enablers that are driven by three thrusts under the innovation strategy.

“Balancing trade facilitation and regulation is not an easy task and I applaud Singapore Customs for managing these two well. With TradeFIRST, I am confident that Singapore Customs will foster even closer relationships with businesses as a trusted partner and proactively develop new innovative schemes to meet industry needs.”

*Permanent Secretary for Finance
Peter Ong, International Customs Day,
January 2011*

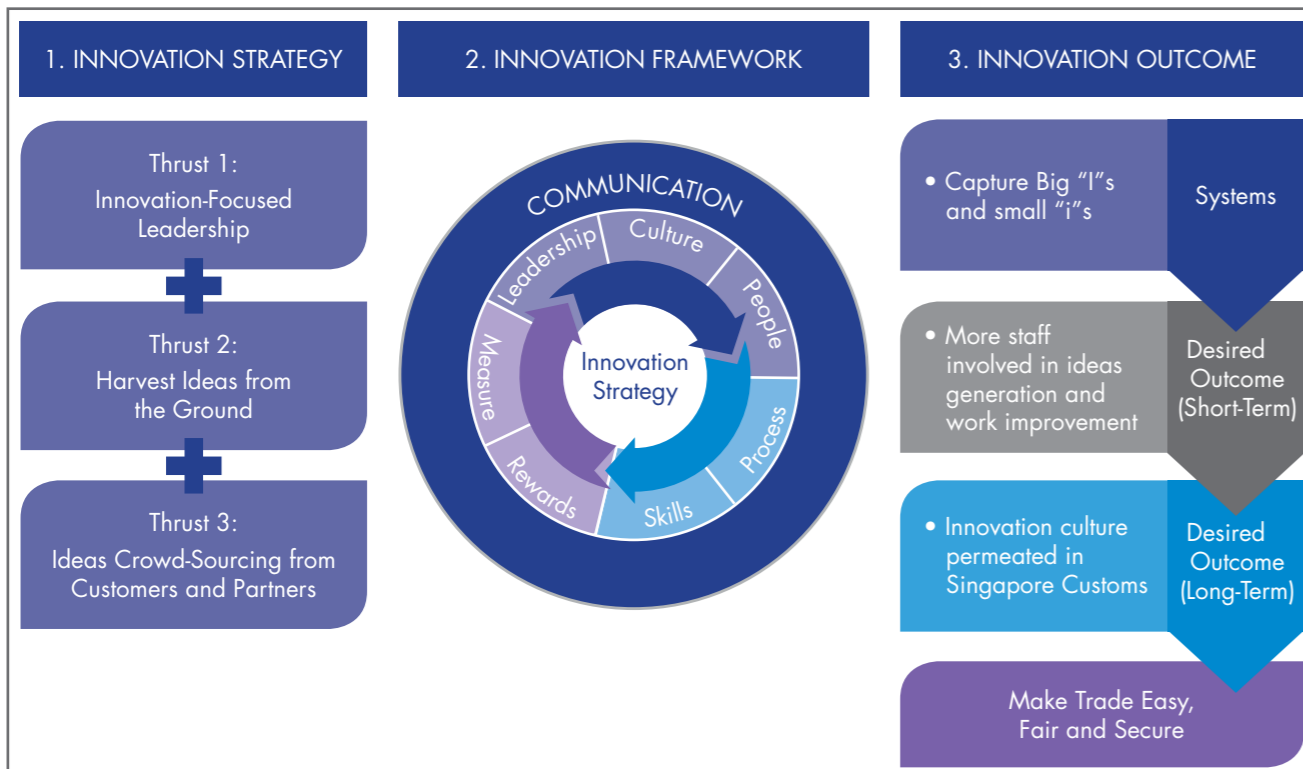


Figure 5-1-1: Innovation Eco-System

Our innovation process is outlined in Figure 5-1-2.

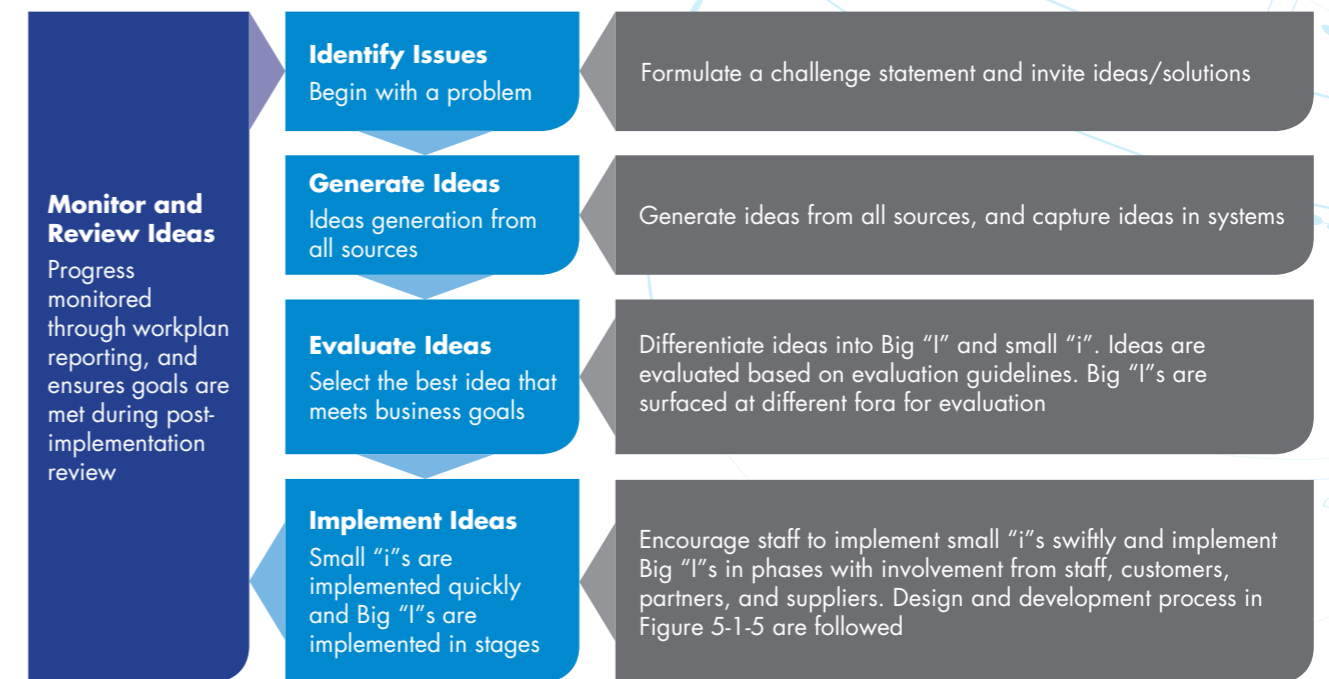


Figure 5-1-2: Innovation Process

Singapore Customs encourages free-flowing expression of ideas through as many channels as possible, and looks for innovative ideas which extend beyond Singapore Customs, as shown in Figure 5-1-3.

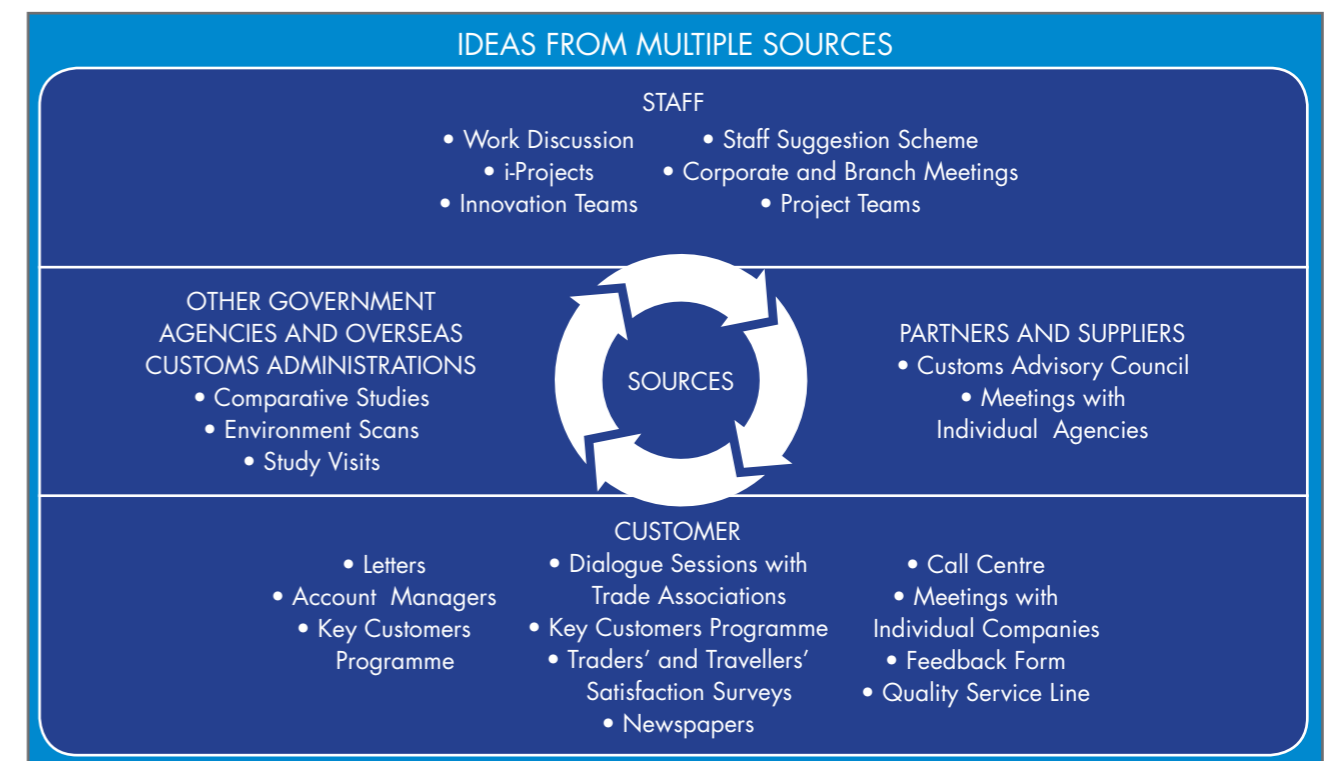


Figure 5-1-3: Harvesting Ideas from Multiple Sources

Singapore Customs puts the ideas generated through a review and evaluation process, described in Figure 5-1-4.

CRITERIA	GUIDELINES
Innovativeness	Extent of idea resulting in significant improvement to work processes
Effectiveness	Extent of productivity gains
Costs versus Benefits	Economical feasibility of implementation if the benefits outweigh the costs
Feasibility of Ideas/Feedback	Other aspects taken into consideration: <ul style="list-style-type: none"> • Whether the technology and systems required exist • Whether the time/resources required is available
Alternative Ideas/Feedback	Existence of alternative proposals/solutions

Figure 5-1-4: Ideas Evaluation Guidelines

5.1b How new products and services and their related production and delivery systems are designed and introduced. Include how employees, customers and suppliers/partners are involved in the design process.

To ensure that ideas meet business outcomes and customers' needs, Singapore Customs adopts a five-phase approach in translating ideas into services, with relevant stakeholders involved in each phase, as illustrated in Figure 5-1-5.

DESIGN AND DEVELOPMENT PROCESS	INVOLVEMENT OF STAKEHOLDERS AT EACH PHASE			
	Employees	Customers	Partners	Suppliers
Phase 1: Identify Requirements	Gather requirements and conduct environment scans	Provide inputs on customers' requirements	Provide inputs on partners' requirements	Provide information on available resources for implementation
Phase 2: Design Development	Draft procedures and schemes; draft user specifications	Provide feedback on draft designs (if applicable)	Provide feedback on draft designs (if applicable)	
Phase 3: Pre-Implementation Evaluation and Sign-Off	Adjust designs based on feedback; obtain policy and budget approval	Endorse new service (if applicable)	Endorse new service (if applicable)	Refine and submit proposals for implementation
Phase 4: Pilot Phase and Full Implementation	Work with suppliers on implementation; conduct acceptance tests; engage customers to adopt service	Participate in pilot phase and full implementation	Provide support in implementation; assist in driving the adoption of service	Deliver implementation
Phase 5: Post-Implementation Review	Gather feedback; conduct review	Provide feedback on service	Provide feedback on service	Source for feedback from users

Figure 5-1-5: Service Design and Involvement of Stakeholders

Innovations are realised through close collaborations with customers and partners, in particular in Big "I" projects. An example is TradeFIRST, which merged all Customs schemes into a single trade facilitation framework. This initiative clinched the prestigious Best Pro-Enterprise Idea Gold Award in 2011.

TradeFIRST – A Collaborative Effort Among Employees, Customers, Partners and Suppliers				
Identify Requirements	Design Development	Pre-Implementation Evaluation and Sign-Off	Pilot Phase and Full Implementation	Post-Implementation Review
<ul style="list-style-type: none"> • Environment scans. • Consultation within Trade Division • Customer requirements identified – single set of assessment criteria 	<ul style="list-style-type: none"> • Project team of Trade and Compliance officers formed • Visited Customs administrations which had implemented similar schemes • Proposed concept 	<ul style="list-style-type: none"> • Discussion with partners on feasibility • Considered risks and mitigation measures 	<ul style="list-style-type: none"> • Pilot scheme with selected customers • Training for employees • Outreach to potential customers • Sought feedback. • Fine-tuned service design • Full implementation 	<ul style="list-style-type: none"> • Account managers sought feedback from companies • Feedback reviewed and improvements made where necessary

Figure 5-1-6: Example of Design and Development Process – TradeFIRST

REVIEW AND MONITORING OF INNOVATIONS

The post-implementation review process evaluates whether the objectives of an initiative have been met, and documents the best practices and the learning points.

Sensitive information is protected by keeping the information out of the public domain, and limiting access on a "need-to-know" basis. Suppliers are bound by confidentiality agreements. Process owners are also encouraged to evaluate the need to register the intellectual property of new service offerings.

Singapore Customs has a risk assessment guide to assist branches in thinking through risks when generating ideas and implementing initiatives. In addition, trade facilitation initiatives are assessed by the Risk Assessment Branch, which highlights possible risks and recommends mitigation measures.

5.1c How the organisation evaluates and improves these innovation processes

To sense the innovation climate in Singapore Customs, the PS21 Innovation Committee measures and evaluates the level of innovation through the following combination of outcome and output indicators:

- Number of i-Projects and Staff Suggestion Scheme participation rate.
- EES (PS21 Index) – which measures the level of support supervisors give to encourage staff to innovate.
- Post-Implementation Reviews of projects/initiatives.

IDEAS GENERATION WITH OUR CUSTOMERS – Air Cargo Express Hub

This is a special facilitation by Singapore Customs and the Immigration & Checkpoints Authority. The Air Cargo Express (ACE) Hub, located in the Changi Free Trade Zone, serves as an integrated facility for FedEx to consolidate all its operations in a single location with on-site customs clearance. This arrangement allows FedEx to have direct access to its freighter planes. As a result, FedEx is able to reduce its delivery time significantly to better meet the demands of its customers. This is the first time we have allowed onsite clearance at the customer's premises.

IDEAS GENERATION WITH OUR PARTNERS – Facilitation for the Singapore Freeport

The Economic Development Board (EDB) approached Singapore Customs in 2010 to collaborate in facilitating operations at the Singapore Freeport (a high-security storage facility for high-value collectibles). This is also the largest such facility in the world which serves high net worth individuals. Singapore Customs decided that duty and Goods and Services Tax (GST) could be suspended at the Singapore Freeport and the requirement for bank guarantee be waived. We also allowed non-declaration of value and ownership, requiring only generic descriptions to allow owners to maintain discretion on the value of their items. The facilitation helped Singapore Customs clinch the Public Sector Best Pro-Enterprise Idea Award in 2011.

5.2 PROCESS MANAGEMENT AND IMPROVEMENT

5.2a Define the key production and delivery processes of products and services and the support processes. Include a description of their requirements and performance measures or indicators

The overview of Singapore Customs' Process Management Framework is shown in Figure 5-2-1. To support our mission, Singapore Customs has identified five categories of key processes and seven categories of support processes.

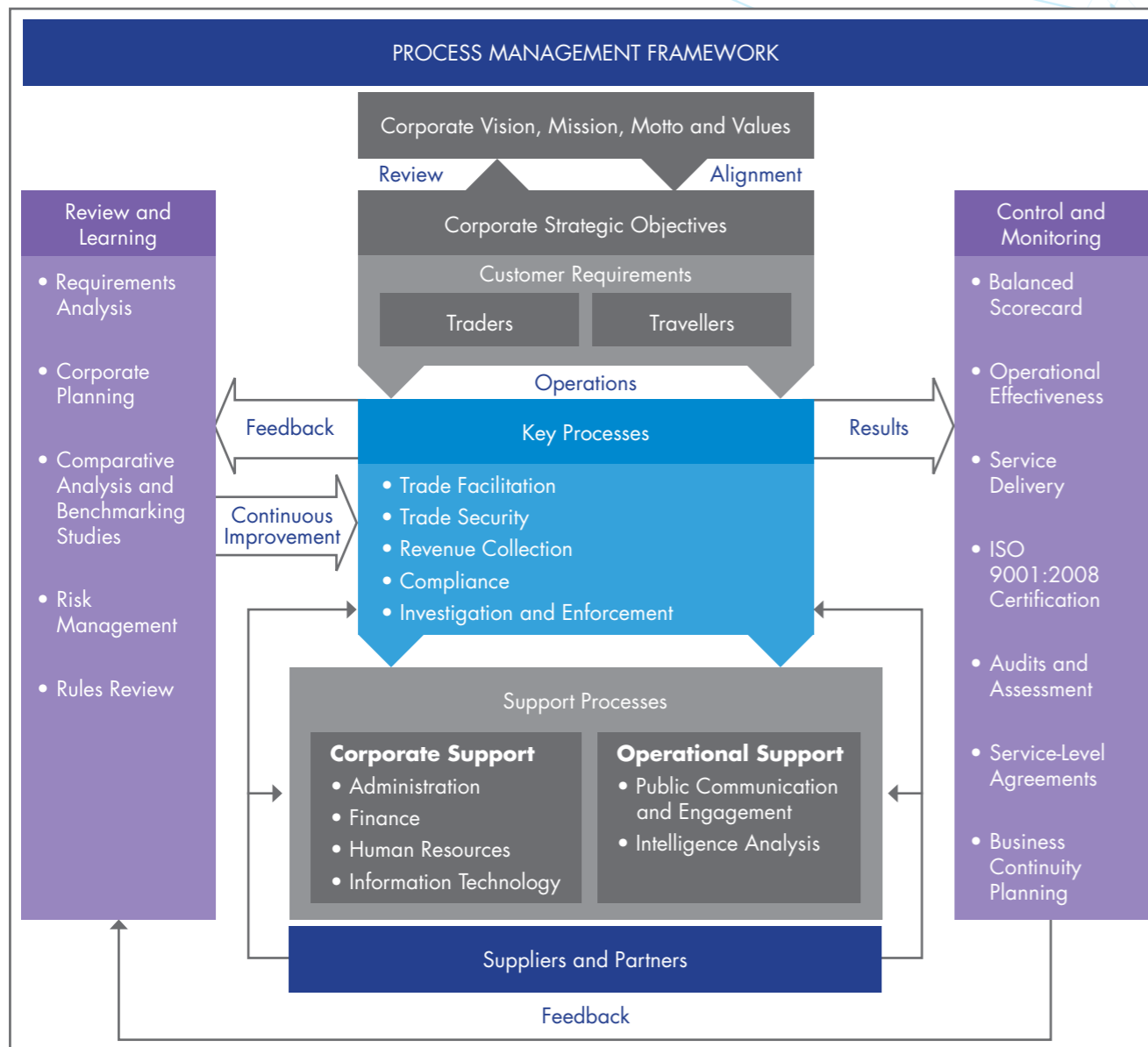


Figure 5-2-1: Process Management Framework

Our key processes are designed to meet customer and operational requirements, and service and process performance measures are tracked. Support processes are instrumental to the delivery of key processes, and are categorised as corporate support and operational support. The process requirements and the key performance measures for our key and support processes are illustrated in Figure 5-2-2 and Figure 5-2-3.

KEY PROCESSES	KEY REQUIREMENTS	PERFORMANCE MEASURES
Trade Facilitation	<ul style="list-style-type: none"> Flexible schemes that serve traders' needs within Singapore Customs' regulatory objectives Efficient processing of applications for permits, licences, and certificates of origin Accurate provision of valuation, classification, and origin determination advice 	<ul style="list-style-type: none"> Controlling units' participation in TradeNet[®] Permits, licences, and certificates of origin processed Customs rulings issued Take-up rate of Singapore Customs' facilitation schemes
Trade Security	<ul style="list-style-type: none"> Security and resilience of Singapore's supply chain 	<ul style="list-style-type: none"> Exports by STP, STP+ and STS Tier 2 and 3¹ companies Mutual recognition arrangements signed
Revenue Collection	<ul style="list-style-type: none"> Efficient collection of customs revenue (from traders and travellers) Accurate processing of duty/GST refunds (from traders) Accurate processing of GST refunds (from travellers) Prompt and professional checkpoint services 	<ul style="list-style-type: none"> Revenue collected Refund of duty/GST Waiting time at checkpoints
Compliance	<ul style="list-style-type: none"> Educate traders on regulatory requirements and trade obligations to promote self-compliance 	<ul style="list-style-type: none"> Compliance rate
Investigation and Enforcement	<ul style="list-style-type: none"> Effective enforcement of customs law Minimising revenue leakage 	<ul style="list-style-type: none"> Duty-unpaid cigarettes seized Duty collection for cigarettes Evasion of liquor duties and GST Fuel gauge offences

Figure 5-2-2: Process Requirements and Performance Measurement (Key Processes)

¹ STP refers to the Secured Trade Partnership, Singapore's national supply chain security programme. STS refers to the Strategic Trade Scheme, a scheme to facilitate legitimate exporters of strategic goods and to enhance the control over the trade involving sensitive goods and technologies.

SUPPORT PROCESSES	KEY REQUIREMENTS	PERFORMANCE MEASURES
Corporate Support	<ul style="list-style-type: none"> Effective administration of procurement and payment processes Financial administration Recruitment and staff development Administration of IT systems 	<ul style="list-style-type: none"> Cost per dollar of revenue collected Results from EES Service standards for technical and corporate support services
Operational Support	<ul style="list-style-type: none"> Effective and timely intelligence to support enforcement operations Effective public communication to generate awareness of anti-contraband messages 	<ul style="list-style-type: none"> Enforcement analysis Outreach to generate awareness of anti-contraband messages

Figure 5-2-3: Process Requirements and Performance Measurement (Support Processes)

5.2b Describe how the organisation manages these key processes to meet process requirements and maintain process performance to ensure that products and services meet customer and operational requirements. Include how the organisation is able to sustain its operations in emergencies and disasters for business continuity

Singapore Customs has monitoring and control mechanisms to ensure that our key and support processes facilitate the achievement of our business objectives and customer requirements (see Figure 5-2-4).

OBJECTIVES AND REQUIREMENTS	MONITORING AND CONTROL MECHANISMS
Service Standards	<ul style="list-style-type: none"> PS21 Steering Committee Meeting
Key Performance Indicators	<ul style="list-style-type: none"> Customs Staff Meeting
Consistent Service Delivery	<ul style="list-style-type: none"> ISO Management Review Committee Meeting Internal Audits and Assessments
Strategic Objectives	<ul style="list-style-type: none"> Balanced Scorecard Internal Audits and Assessments Divisional Meetings with DG

Figure 5-2-4: Monitoring and Control Mechanisms



Timely interventions and corrective actions are taken when there is a lapse in the process performance, while tracking of performance trends allows for preventive actions.

Singapore Customs' Business Continuity Management Committee (BCMC) is responsible for planning and managing business continuity matters under different threat scenarios. The BCMC conducts an annual review of our business continuity plans jointly with the relevant branches. To ensure resiliency, annual tests involving our suppliers and partners are carried out.

5.2c Explain how the organisation evaluates and improves these key processes to achieve better process performance and improvements to products and services

Singapore Customs' approach to the evaluation and improvement of processes is shown in Figure 5-2-5.

INPUTS	RESPONSIBILITY	TOOLS
<ul style="list-style-type: none"> Feedback from employees, customers, partners, and stakeholders Performance measures Comparative analysis Internal audits 	<ul style="list-style-type: none"> Process owners 	<ul style="list-style-type: none"> Innovation process Benchmarking Annual review

Figure 5-2-5: Evaluation and Improvement of Processes

5.3 SUPPLIER AND PARTNERSHIP MANAGEMENT

5.3a How the organisation identifies and selects its suppliers and partners. Include a description of the key performance requirements for suppliers and/or partners and how the relationship and partnership fit into the overall strategy of the organisation

5.3b How the organisation communicates and ensures that its requirements are met by suppliers and/or partners and how timely and actionable feedback is provided to suppliers and/or partners

Selection of our key partners is based on the overall strategic fit to Singapore Customs, and they are grouped according to our motto "We Make Trade Easy, Fair and Secure". Clear performance expectation and requirements are communicated, and channels are established for engagements and joint collaborations on initiatives of mutual interest. Figure 5-3-1 shows Singapore Customs' key partners and their strategic fit.

KEY PARTNERS	STRATEGIC FIT	PERFORMANCE REQUIREMENTS	PERFORMANCE FEEDBACK	COLLABORATION AND ENGAGEMENT
MAKE TRADE EASY				
Economic Development Board (EDB)	Trade facilitation	Review and implement trade facilitative initiatives	Feedback from facilitated companies, post-implementation review of initiatives	<ul style="list-style-type: none"> Joint engagement of the clients of the economic agencies Joint design and implementation of facilitation initiatives Regular meetings with Senior Assistant Director-General (Trade)*
International Enterprise Singapore (IE Singapore)				
Infocomm Development Authority of Singapore (IDA)	Trade facilitation	Leverage on technology to explore new business opportunities	Feedback from system users, post-implementation review of initiatives	<ul style="list-style-type: none"> Harness IT to increase competitive advantage Co-creation of business solutions Regular meetings with SMGT*
Civil Aviation Authority of Singapore (CAAS)	Administration of free trade zones and improvement of airport/port operations	Review and implement efficient clearance procedures	International rankings of Singapore's airport/port efficiency	<ul style="list-style-type: none"> Collaboration to facilitate clearance of sea-borne and air-borne cargo
Changi Airport Group (CAG)				
PSA Singapore				
Immigration & Checkpoints Authority (ICA)	Efficient clearance of cargoes and passengers at checkpoints	Abide by established operating procedures	Results of referrals, feedback by traders and travellers	<ul style="list-style-type: none"> Coordination on checkpoint operations Transmission of permits and clearance data between ICA and Singapore Customs Regular meetings with Assistant Director-General (Checkpoints)* High-level meetings with senior management of ICA and Singapore Customs

KEY PARTNERS	STRATEGIC FIT	PERFORMANCE REQUIREMENTS	PERFORMANCE FEEDBACK	COLLABORATION AND ENGAGEMENT
Controlling Agencies (CAs)	Streamline TradeNet® requirements	Simplify permit declaration	Feedback from TradeNet® users	<ul style="list-style-type: none"> Streamline CAs' requirements into TradeNet®
MAKE TRADE FAIR				
Inland Revenue Authority of Singapore (IRAS)	Efficient administration of the GST regime	Simplify GST payment and refund procedures	Review of issues in administration of GST and trade facilitation schemes	<ul style="list-style-type: none"> Cross-referrals of major GST fraud cases Transmission of permit data from Singapore Customs to IRAS Regular meetings with Senior Assistant Director-General (Trade)*
MAKE TRADE SECURE				
Immigration & Checkpoints Authority (ICA)	Combat contraband smuggling	Act on targeting instructions and synergy of joint operations	Results of targeting and case referrals	<ul style="list-style-type: none"> Intelligence exchange Referral of cases detected at checkpoints Regular meetings with Assistant Director-General (Intelligence and Investigation)* High-level meetings with SMGT of ICA and Singapore Customs
Singapore Police Force (SPF)	Combat of contraband smuggling	Synergy of joint operations and intelligence sharing	Results of joint operations	<ul style="list-style-type: none"> Joint operations Intelligence exchange Referral of cases detected Regular meetings with Assistant Director-General (Intelligence and Investigation)*
Agri-Food & Veterinary Authority of Singapore (AVA)	Combat of contraband smuggling	Prompt intelligence sharing	After-action review, post-implementation review, results of joint operations	<ul style="list-style-type: none"> Joint risk assessment of shipments: Development of targeting criteria by Singapore Customs to help identify such cases**
Health Sciences Authority (HSA)				
National Environment Agency (NEA)				

* Indicates key channel of communication and feedback

** Indicates example of capability development

Figure 5-3-1: Management of Key Partners

Supplier selection is governed by the Government Instruction Manuals, Finance Circulars, Finance Circular Minutes, and Customs Departmental Orders. Only GeBIZ-registered businesses are allowed to furnish quotations/tenders. This ensures that supplier selection is conducted in a transparent and fair manner, and gives us best value-for-money. Figure 5-3-2 shows Singapore Customs' key suppliers and their strategic fit.

KEY SUPPLIERS	STRATEGIC FIT	IDENTIFICATION & SELECTION	PERFORMANCE REQUIREMENTS	PERFORMANCE FEEDBACK	COLLABORATION & ENGAGEMENT
CrimsonLogic NCS Pte Ltd	Efficient operation of TradeNet® and information technology systems	Tender and contract specifications	<ul style="list-style-type: none"> • Meet service-level agreements 	<ul style="list-style-type: none"> • User surveys • Supplier performance information system • Post-implementation review 	<ul style="list-style-type: none"> • Design, build, operate and maintain information technology systems to support Singapore Customs' mission • Key information technology systems administration and development discussions*
Certis CISCO	Supplementing our enforcement capabilities	Tender and contract specifications	<ul style="list-style-type: none"> • Ensure physical security at Customs Operation Command. • Guarding of persons-in-custody. • Patrolling of hotspots to enhance deterrence 	<ul style="list-style-type: none"> • Inspections • Intrusion exercises at Customs Operation Command • Observations and evaluations done by team leaders & officers-in-charge 	<ul style="list-style-type: none"> • Briefing and induction course prior to deployment**
Civil Service College	Enhancing capabilities of our officers	Key supplier of core learning programmes for the Civil Service	<ul style="list-style-type: none"> • Meet course and learning objectives 	<ul style="list-style-type: none"> • Feedback on course by participants 	<ul style="list-style-type: none"> • Collaboration to design customised courses for Singapore Customs

* Indicates key channel of communication and feedback
 ** Indicates example of capability development

Figure 5-3-2: Management of Key Suppliers

5.3c How the organisation works with suppliers and/or partners to understand their needs, and the plans and processes established to help suppliers and/or partners improve their goods and services, as appropriate

Established communications and feedback channels between Singapore Customs and our partners and suppliers as shown Figures 5-3-1 and 5-3-2 help to build a collaborative relationship based on clear understanding of performance requirements and constraints.



CUSTOMERS

CUSTOMERS

Singapore Customs believes that the drive to provide quality service cannot come about merely in response to external demands. More than that, it must be the expression of an internal pride and desire to delight customers. The most important call for quality service must come from the heart. To achieve this, we nurture an environment that enables this attitude to flourish so that providing quality service is a natural part of our service culture.

6.1 CUSTOMER REQUIREMENTS

The Service Excellence Framework (refer to the last page of this Category) guides our approach to achieving our **Quality Policy**, which is **“Your Satisfaction, Our Pride”**.

The four leaves of the orchid articulate that the services we provide should be:

- FAST** – We will try to fully understand your needs and will offer prompt services to meet them.
- FRIENDLY** – We will be attentive and polite when we serve you.
- FIRM** – We will be steadfast in upholding our laws and will be open and transparent in enforcing them.
- FAIR** – We will serve with equity, honesty and impartiality.

The five petals of the orchid represent the various dimensions of our customer management approach as shown in Figure 6-1-1.

LEAD	SENSE	STRATEGISE	DEVELOP	DELIVER
Leadership Commitment in Leading Customer Engagement Efforts	Customer Segmentation	Develop Strategic Plans	Employee Training and Development	Pre-Contact Touchpoints
	Customer Requirements			Contact Touchpoints
	Listening and Learning Channels			Post-Contact Touchpoints

Figure 6-1-1: Five Dimensions of Customers Management Approach

As a trade regulator, we strive to understand our customers’ business needs and work with them to design trade facilitation schemes that are useful to them. At the same time, to fulfil our trade regulation and security roles, we adopt a risk management approach to assure the integrity of Singapore’s trading system. We also strive to add value to companies and businesses through the effective administration of free trade agreements and other international trade facilitation efforts such as establishing mutual recognition arrangements with other Customs administrations.

6.1a How the organisation segments its customers and/or markets. State the customer/market requirements for each segment.

To manage the changing needs of our customers in a dynamic environment, Singapore Customs aims to meet their requirements by knowing them, understanding them, and WOW-ing them with our customised facilitation. This unique approach is shown in Figure 6-1-2.

KNOW THEM	UNDERSTAND THEM	WOW THEM
<ul style="list-style-type: none"> • Define segments • Understand requirements • Refine listening and learning channels 	<ul style="list-style-type: none"> • Stratified engagement • Enhanced touchpoints • Dialogue sessions • E-learning • Instil partnering mindset in staff 	<ul style="list-style-type: none"> • Formulate plans • Customised facilitation and service offerings • Co-creation of solutions • Mobile services • Empowered staff to go the extra mile
<ul style="list-style-type: none"> • Communication with staff to meet customer requirements • Evaluate and improve customer systems through review and evaluation 		

Figure 6-1-2: Approach to Manage Customer Requirements



As part of getting to know our customers (the first stage of our approach), Singapore Customs segments our customers into traders and travellers, and they are further segmented based on the type of services they require. The detailed segmentation is shown in Figure 6-1-3.

		CURRENT REQUIREMENTS		FUTURE REQUIREMENTS			
		GENERAL	SPECIFIC-TO-SEGMENT	GENERAL	SPECIFIC-TO-SEGMENT		
TRADERS	Importers/Exporters	<ul style="list-style-type: none"> • Clear and transparent import/export procedures • Fast response to enquiries • Simplified procedures and less documentation 	<ul style="list-style-type: none"> • Single declaration system for the import/export of goods (including those under the purview of Controlling Agencies) • Ease of payment of taxes 	<ul style="list-style-type: none"> • Flexible regulatory regime and schemes, customised solutions to meet evolving business needs and operations • Consultative approach to policy formulation 	<ul style="list-style-type: none"> • Partnership approach to ensure supply chain security • Facilitate cross-border trade 		
	Licensees					<ul style="list-style-type: none"> • Prompt processing of licence applications and TradeFIRST assessment 	<ul style="list-style-type: none"> • Enhancement of standards through trade facilitation assessment and Whole-of-Government approach for facilitation
	Manufacturers					<ul style="list-style-type: none"> • Clear guidelines on Harmonised System, rules of origin, preferential tariffs • Prompt processing of certificate of origin applications 	<ul style="list-style-type: none"> • Improved market access
	Freight Forwarders/Declaring Agents					<ul style="list-style-type: none"> • Prompt processing of declarations 	<ul style="list-style-type: none"> • Enhanced compliance capacity
TRAVELLERS	Travellers Arriving or Departing Singapore	<ul style="list-style-type: none"> • Clear and transparent procedures • Easy access to information • Prompt refund and payment • Flexibility in duty-free allowance for liquor products • Self-service application through kiosks/internet 	<ul style="list-style-type: none"> • Multi-modal transit • Advance internet declaration and payment application 				

Figure 6-1-3: Customer Segmentation Model



Singapore Customs' interactions with traders are on a sustained, day-to-day basis, through their permit declarations, applications and other facilitation and regulatory matters. Our interaction with travellers at the various checkpoints is more transactional and transient in nature.

We manage traders and travellers differently due to their different requirements. The approach for traders is geared towards forming a sustained partnership under the TradeFIRST framework, so that we can better understand their operations and work closely with them to deliver effective facilitation and enhance their compliance levels. For customers with large transaction volumes, Singapore Customs assigns a dedicated account manager. As travellers tend to be transient customers, the approach for them is geared towards achieving the optimum service experience – enabling them to deal with customs formalities in a hassle-free manner through greater transparency, friendly counter-service, and the option of self-service.

6.1b How the organisation uses different listening and learning strategies to analyse current customer/market needs and anticipate future ones.

To understand our customers (the second stage of our customer management approach) and determine their current and future requirements, Singapore Customs makes use of various listening and learning channels and stratified engagement to keep ourselves updated on the latest developments in the industry, as shown in Figure 6-1-4.

	LISTENING STRATEGIES			LEARNING STRATEGIES
	OPERATIONAL	TACTICAL	STRATEGIC	
TRADERS	<ul style="list-style-type: none"> Ongoing Surveys Dialogue Sessions and Meetings One-to-One Traders' Clinics Training, Seminars and Outreach Sessions Singapore Customs Call Centre Quality Service Manager Network/ Quality Service Manager Line Emails/Feedback Singapore Customs Academy Public Consultation 	<ul style="list-style-type: none"> Annual Traders' Satisfaction Survey Annual Pro-Enterprise Survey Dialogues with Industry and Groups Account Managers Network Annual Cluster Survey Targeted Consultation TradeFIRST Assessment Partnership with Associations Working Groups with Companies Joint Internships Singapore Customs' Facebook Page 	<ul style="list-style-type: none"> Customs Advisory Council Meetings chaired by Permanent Secretary (Finance) Various Committees set up by Other Agencies Strategic Engagement with Identified Key Stakeholders to Facilitate Traders 	<ul style="list-style-type: none"> Study Visits Learning Journeys Participation in International Forums/ Seminars/Workshops/ Trade Fairs Benchmarking Environment Scan After-Action Review, Post-Implementation Review Consultancy Studies with Industry and Strategic Partners
TRAVELLERS	<ul style="list-style-type: none"> Counter Interactions (GST Refund Office, Self-Service Kiosks) Customer Feedback Forms Quality Service Manager Network/ Quality Service Manager Line Changi Airport Group Feedback Network. Emails 	<ul style="list-style-type: none"> Annual Travellers' Satisfaction Survey Dialogue with Airport Community/Terminal Operators/Government Agencies Singapore Customs' Facebook Page 	<ul style="list-style-type: none"> Strategic Engagement with Identified Key Stakeholders to Facilitate Travellers 	

Figure 6-1-4: Listening and Learning Channels

The various listening and learning channels allows Singapore Customs to chart a comprehensive understanding of our customers' requirements (which are outlined in the Customer Segmentation Model shown in Figure 6-1-3). The close partnership between Singapore Customs and our customers also allows us to get up-to-date industry intelligence that can be used to anticipate future requirements and design schemes for them.

6.1c How the organisation incorporates customer requirements and future market needs into strategic and improvement plans.

To WOW our customers (the final stage of our approach), Singapore Customs ensures that inputs from the listening and learning channels are validated and analysed by Trade Division (for traders), Checkpoints Division (for travellers) and the PS21 Customer Committee (for cross-cutting customer issues). The various parties recommend improvements to strategies, policies, processes and service standards. Simple improvements may be implemented immediately by the relevant divisions or through project teams. More complex improvements or those which require further study will be addressed in the corporate planning process (see Category 2).

Singapore Customs also recognises that a "one-size-fits-all" approach will not meet the requirements of our diverse groups of corporate customers, which have different business models and risk profiles. We adopt a consultative approach through TradeFIRST and proactively engage traders to understand their needs so as to tailor solutions to support their evolving and niche business models. Singapore Customs has put in place a structured process aligned to the innovation process (see Figure 5-1-2) to customise our service offerings to meet specialised customer requirements (Figure 5-1-5).

6.1d How the organisation evaluates and improves its processes for determining current and future customer requirements.

The PS21 Customer Committee leads the review of the approach to managing customer requirements. This is done with the customer-facing divisions (Trade Division and Checkpoints Division) and the Corporate Communications Branch. The review covers the approach outlined in Figure 6-1-2.

The findings are raised through appropriate channels such as the PS21 Steering Committee Meeting, Customs Staff Meeting, or Executive Committee for deliberation and endorsement before implementation.

“I am happy to note that Singapore Customs has always put priority on meeting the needs of our businesses in mind when developing new initiatives. I am confident that through its pro-business efforts, and with the support of the business community, Singapore Customs will ensure that Singapore maintains our competitive edge as one of the world's most trusted trade and business hubs.”

Minister of State for Finance and Transport Josephine Teo, International Customs Day, February 2012

6.2 CUSTOMER RELATIONSHIP

6.2a How the organisation provides easy access for customers to conduct business, seek assistance and information, and make complaints. Describe key customer contact requirements and how these requirements are determined and deployed to everyone in the response chain.

The cycle of interaction that a customer will have with Singapore Customs is captured as pre-contact, contact and post-contact touchpoints. These multiple touchpoints ensure seamless access to information and service from Singapore Customs. The management of touchpoints is shown in Figure 6-2-1 and the effectiveness of the various touchpoints is determined through the service standards listed in Figure 6-2-2.

	PRE-CONTACT	CONTACT	POST-CONTACT
CUSTOMER EXPECTATION	<ul style="list-style-type: none"> Easy access to information on regulatory procedures Contact details and accessibility channels 	<ul style="list-style-type: none"> Ease of contact. Prompt service offerings and regular engagement 	<ul style="list-style-type: none"> Channels for feedback and follow-up action taken
SERVICE OFFERINGS	<p>Electronic</p> <ul style="list-style-type: none"> Singapore Customs' website, Facebook page, i-Changi application <p>Print Media</p> <ul style="list-style-type: none"> Handbooks, circulars, brochures, newsletters, videos, media releases, signage at checkpoints <p>Interactive Platforms</p> <ul style="list-style-type: none"> FACE-TO-FACE: Participation in overseas trade fairs, exhibitions and business seminars 	<p>Electronic</p> <ul style="list-style-type: none"> Singapore Customs' website, TradeNet®, customer engagement portal <p>Interactive Platforms</p> <ul style="list-style-type: none"> TRAINING: Customs Competency Courses for Businesses, Singapore Customs Academy FACE-TO-FACE: Meetings with account managers and Customs officers, industry outreach, engagement with associations, dialogue sessions, seminars, Traders' Clinic, focus group sessions CONTACT CHANNELS: Emails, checkpoint services (GST Refund Office, Service Kiosks), Singapore Customs Call Centre 	<p>Electronic</p> <ul style="list-style-type: none"> Singapore Customs' website, Customer Essential Information Database <p>Interactive Platforms</p> <ul style="list-style-type: none"> FACE-TO-FACE: Meetings with account managers and Customs officers, industry outreach, engagement with associations, dialogue sessions, Traders' Clinic CONTACT CHANNELS: Emails, phone calls, various surveys (Traders' and Travellers' Satisfaction Surveys, Annual Cluster Survey) to proactively assess customers' needs and follow-ups
SERVICE STANDARD	Accessibility of information, measured by satisfaction with ease of obtaining information and sufficiency of information (see Figure 6-2-2)	Service delivery and customer engagement effectiveness are monitored by the Client Relations Branch	Acknowledgement and time to resolution (measured by our response to their requests and time taken to close the issue)

Figure 6-2-1: Management of Customer Touchpoints

SERVICES	PERFORMANCE TARGETS
Processing of TradeNet® declarations and amendment of TradeNet® permits	99% within 10 minutes
Processing of Licensed Warehouse applications	100% within 7 working days
Processing of Zero-GST Warehouse Type I applications	100% within 7 working days
Refund of duty/GST without submission of supporting documents	100% within 5 working days
Refund of duty/GST with submission of supporting documents	100% within 12 working days
Processing of Certificates of Origin	100% within 2 hours of application
Issuance of Import Certificate and Delivery Verification	100% within 2 hours of application
Endorsement of GST Tourist Refund claim forms	95% within 10 minutes
Endorsement of export permit under the Hand-Carried Exports Scheme	95% within 15 minutes
Assessment and collection of duty/ GST from passengers/crew members	95% within 10 minutes
Reply to public enquiry (including emails)	90% within 4 working days
Issuance of Customs rulings	100% within 30 days upon receipt of full supporting documents

Figure 6-2-2: Service Standards for Singapore Customs

We are able to engage and provide personalised service to our customers by assigning staff as account managers to traders. The account managers will provide them with a single point-of-contact to resolve day-to-day issues and work closely with them to improve their processes and our schemes. While the concept of account managers is common in the service industry, it is rare for a regulatory agency to implement it. This approach stems from our philosophy that we have to partner businesses that are willing to comply, while taking a different approach with the non-compliant entities to protect the integrity of the trading system.

We have also implemented a public consultation framework to ensure that we take into account relevant views and ideas from our customers and the public before rolling out significant changes or new policies, legislation, programmes, or procedures. The framework covers the following elements:

- Principles for effective public consultation.
- Targeted audience.
- When to consult/when not to consult.
- Public consultation tools.
- Management feedback and closing the loop.

Singapore Customs also outlines our commitment to provide quality service to all our customers through the Service Charter. The Service Charter and our service standards are communicated to our customers via our corporate website, and also internalised by staff.

Our approach to training and empowering employees to delight customers is summed up in Figure 6-2-3.

CUSTOMER STRATEGY	TRAINING	EMPOWERMENT
Inculcate customer-centric mindset	Developing service-oriented competency: <ul style="list-style-type: none"> • Service Excellence Programme • In-Service Training • Learning from Feedback 	Enabling staff to exercise greater discretion and make prompt operational decisions: <ul style="list-style-type: none"> • Delegation of powers by DG • Vesting Customs Officers with the powers of Senior Officers of Customs
Engage and consult our customers	Developing skills to effectively engage customers and provide effective facilitation: <ul style="list-style-type: none"> • Courses on Listening and Engagement • Public Consultation and Communication Workshop • Networking and Relationship Building for Success 	Enhance communication with customers: <ul style="list-style-type: none"> • Industry Engagement Programme • Customer Relationship Management System • Customer Engagement Portal
Provide a conducive environment for the development and review of trade-friendly rules		Foster collaborative relations with customers through joint projects

Figure 6-2-3: Training and Empowering Staff

All our staff are required to attend appropriate customer service training, within a year of being assigned to a frontline role, under the Service Excellence Programme (see Figure 6-2-4), which aims to strengthen their competencies to deliver excellent service.

FOUNDATION PHASE	• One-Day Service Excellence Programme for Staff	• To impart knowledge on skills that drive service excellence such as listening skills and building rapport
SUPERVISORY PHASE	• One-Day Service Excellence Programme for Supervisors	• To impart knowledge on how to bring about service excellence via performance management
FRONTLINE PHASE	• Two-Day Service Excellence Programme for Frontline Officers	• To provide scenario-based training for frontline staff

Figure 6-2-4: Service Excellence Programme

6.2b How the organisation ensures that complaints are resolved effectively and promptly, and how complaints received are aggregated and analysed for use in overall improvement.

Singapore Customs has put in place a feedback management process (see Figure 6-2-5) to ensure that customer feedback and complaints are analysed, appropriately responded to, and distilled into learning points for improvements. The service recovery form, used as a means of documenting the learning points, is then uploaded onto the customer portal on our intranet, SC CONNECT, for sharing. The complaints received are also compiled and tabled at the PS21 Steering Committee Meeting to ensure that customer feedback receives the attention of SMGT. An annual analysis of the feedback received is also presented at the PS21 Steering Committee Meeting to analyse trends and recurring issues.



Figure 6-2-5: Feedback Management Process

6.2c How the organisation evaluates and improves its customer relationship management.

The PS21 Customer Committee leads the review of the customer touchpoints in coordination with the relevant divisions and branches. The Committee also leads the overall review of the Service Excellence Framework, Service Charter, service standards and service training. Trade Division, Checkpoints Division, and Corporate Communications Branch review the customer relationship management process for traders and travellers and the customer feedback management process respectively. The findings are raised through the appropriate channels such as the PS21 Steering Committee Meeting and Customs Staff Meeting for further deliberation before implementation.

6.3 CUSTOMER SATISFACTION

6.3a How the organisation determines customer satisfaction.

Singapore Customs' key mechanisms for determining customer satisfaction and the areas surveyed are indicated in Figure 6-3-1. We also monitor our service standards monthly and take corrective action when necessary.

CUSTOMER SEGMENT	INSTRUMENTS	
	DIRECT	INDIRECT
Traders	<ul style="list-style-type: none"> • Focused Surveys on Specific Issues and Schemes • Public Consultations • Yearly Traders' Satisfaction Survey for Different Customers Segments • Ad hoc and Yearly Feedback Survey to Account Managers and Relationship Managers • Monthly Analysis of Complaints and Compliments • Feedback Forms During Meetings, Dialogue Sessions and Outreach with Different Customer Segments 	<ul style="list-style-type: none"> • Performance of Service Standards • International Rankings • Horizon Scanning • Interaction with Other Government Agencies
Travellers	<ul style="list-style-type: none"> • Annual Travellers' Satisfaction Survey • Feedback Forms • Complaints and Compliments 	<ul style="list-style-type: none"> • Performance of Service Standards • International Rankings • Horizon Scanning • Interaction with Other Government Agencies

Figure 6-3-1: Customer Satisfaction Areas Surveyed and Instruments

6.3b How the organisation translates customer satisfaction feedback into strategic and improvement plans

The results of the annual Traders' and Travellers' Satisfaction Surveys are analysed and improvements are recommended for SMGT's approval. The scope of the review includes:

- Whether employee learning needs are identified.
- Whether processes are able to meet customer requirements.
- Whether there is a need to review customer segmentation.

These improvements may be implemented quickly through the formation of project teams, or included in the workplans of the relevant divisions or committees.

ACTING ON TRAVELLERS' FEEDBACK: NEW SIGNAGE AT ALL CHECKPOINTS

We received feedback from travellers who indicated in the Travellers' Satisfaction Survey (FY09) that Singapore Customs signage at the Changi Airport was not very visible to travellers. As such, we improved the design and layout of information in our signage, and in FY10, we rolled out new eye-catching signage at the airport as well as all other land and sea checkpoints in Singapore.

ACTING ON TRADERS' FEEDBACK: REVIEW OF MICROBREWERY LICENCE FEES

As the lifestyle of Singaporeans change over the years, Singapore Customs began to see an increase in microbreweries being set up. In the past, breweries were charged the same license fee of \$43,200 annually. After we received feedback from microbrewery operators, we reviewed our fees and implemented a new category of licence fee for microbreweries based on annual production volume instead of a flat rate across all types of breweries. With effect from 1 April 2012, a licence for breweries producing less than 1.8 million litres of beer or stout will incur an annual fee of \$8,400. This has helped microbreweries save significantly on licence fees.

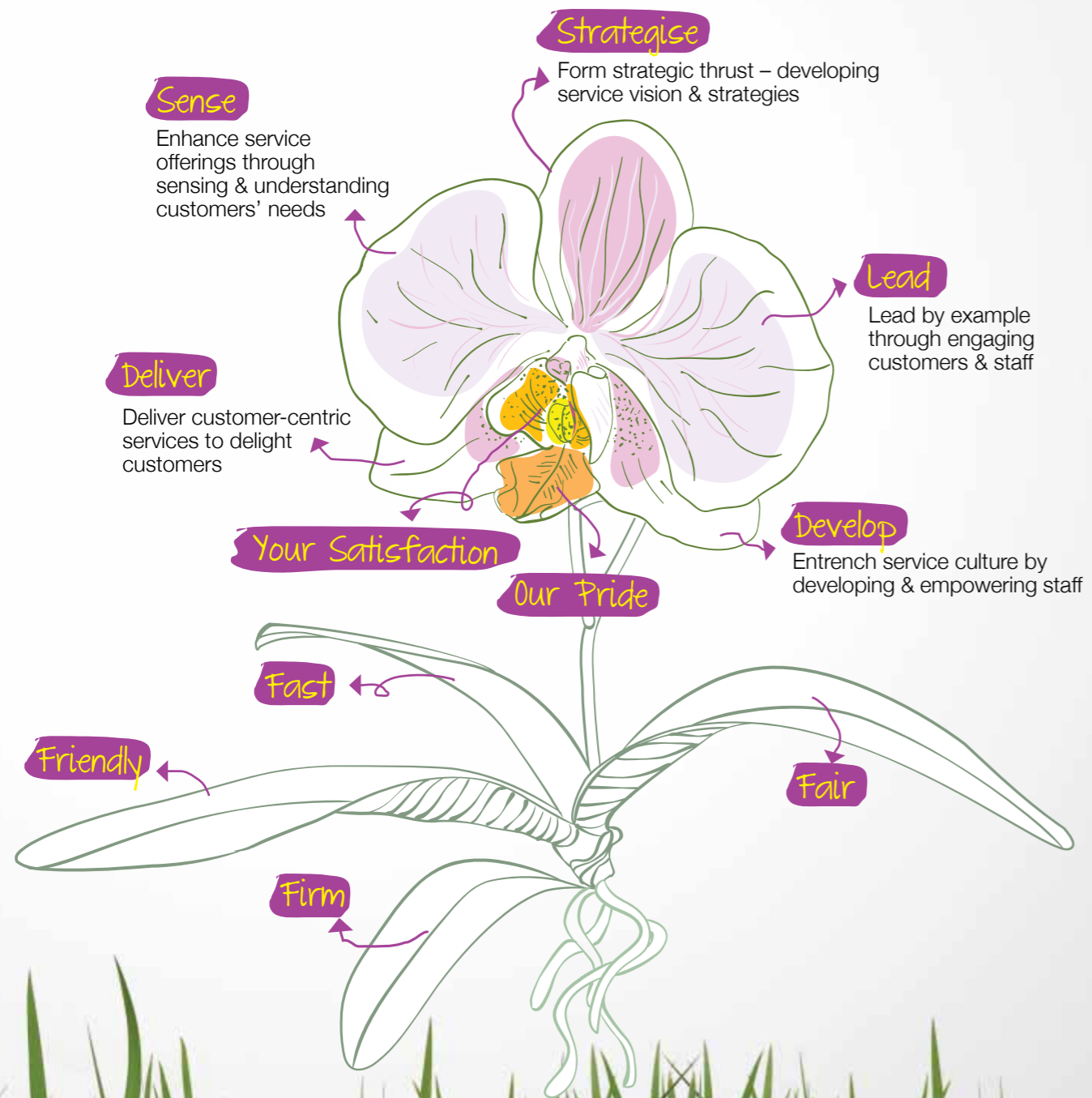
ACTING ON TRADERS' FEEDBACK: USE OF MARINA BERTH AS A ZERO-GST WAREHOUSE SCHEME (ZGS)

A customer from the yacht industry provided feedback to Singapore Customs that there was an increasing demand for luxury yachts. However, as there were no ZGS for such yachts, import GST of approximately \$70,000 per yacht had to be paid for each import, even if the yachts were sailed out of Singapore eventually. After a review, we granted a ZGS (Type II) warehouse licence to the customer. Import GST was not levied for their imported yachts berthed at licensed wharf areas at One Degree 15 Marina. The facilitation resulted in an estimated savings of \$700,000 per year for the company.

6.3c How the organisation evaluates and improves its overall process of determining customer satisfaction

The process of determining customer satisfaction is reviewed annually by the Trade Division and Checkpoints Division before the respective satisfaction surveys are conducted. The reviews may cover a variety of issues such as the questions asked, the customers surveyed and the type of analysis to be conducted. The proposed improvements are discussed and approved by SMGT and the relevant changes are effected in the next satisfaction survey.

Service excellence framework



RESULTS

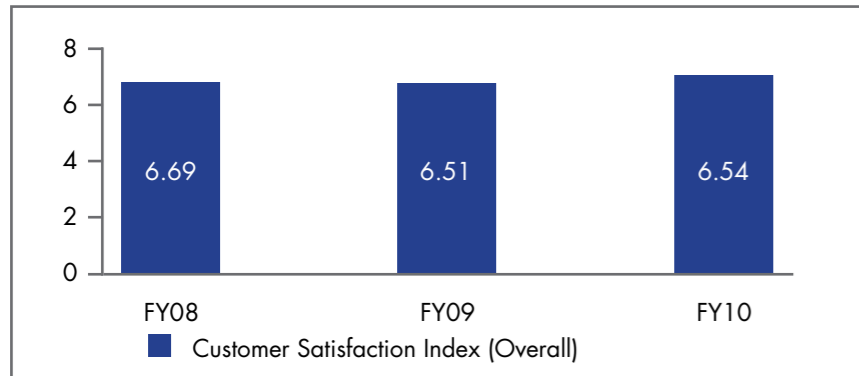
RESULTS

7.1 CUSTOMER RESULTS

7.1a Summarise current levels and trends in key measures and/or indicators of customer satisfaction and retention. Address different customer groups and market segments, and include comparative data as appropriate

TRADERS' AND TRAVELLERS' SATISFACTION SURVEYS

Figure 7-1-1 shows the Traders' Satisfaction Survey results. The Customer Satisfaction Index (Overall) is derived from responses given to questions related to: Customer Responsiveness, Transparency, Review of Rules and Regulations, Compliance Cost, and Pro-Enterprise Orientation. On an 8-point scale, with 1 being "Very Dissatisfied" to 8 being "Very Satisfied, Singapore Customs achieved a Customer Satisfaction Index of above 6 from FY08 to FY10.



*Note: No available data for FY11 as survey is currently undergoing review

Figure 7-1-1: Results of the Traders' Satisfaction Survey

The general impression indices by traders is indicated in Figure 7-1-2. Singapore Customs has consistently obtained above 6 points in almost all the categories from FY08 to FY10.

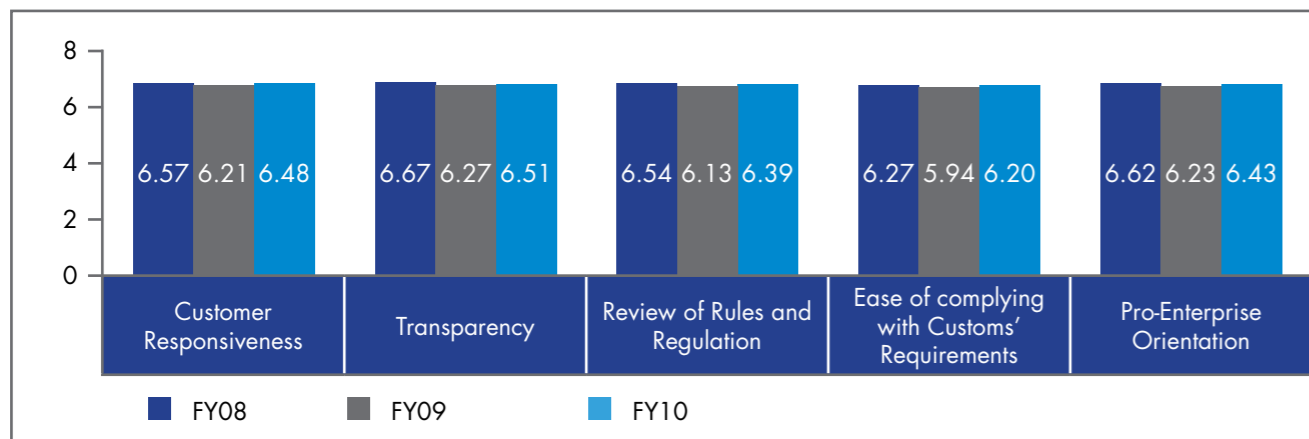


Figure 7-1-2: General Impression Indices

As shown in Figure 7-1-3, Singapore Customs has managed to maintain an overall satisfaction level of above 90% for travellers for the past four years despite the high volume of transactions.

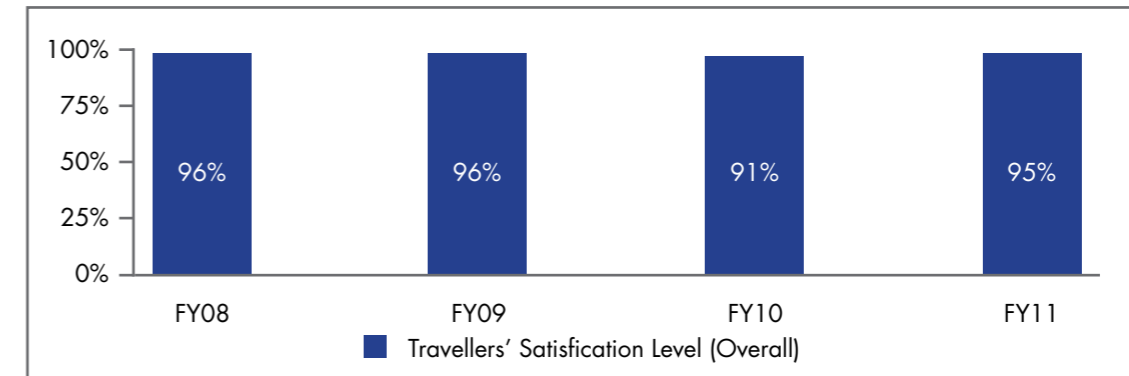


Figure 7-1-3: Results of the Travellers' Satisfaction Survey



7.1b Summarise current levels and trends in key measures and/or indicators of product and service performance. Address different customer groups and market segments, and include comparative data as appropriate

SERVICE PERFORMANCE FOR TRADERS AND TRAVELLERS

Our service performance level for traders and travellers has exceeded our targets in all categories (see Figure 6-2-2 for our service standards).

AWARDS AND ACCOLADES

Our officers have received Public Service Awards as shown in Figure 7-1-4. In FY09 and FY11, our officers were conferred the pinnacle PS21 Distinguished Star Service Award, which is presented to officers who have shown dedication to serve the public beyond the call of duty.

	FY08	FY09	FY10	FY11	FY12
Number of Public Service Awards	2 PS21 Star Service Awards	1 PS21 Distinguished Star Service Award	1 PS21 Star Service Award	1 PS21 Distinguished Star Service Award, and 1 PS21 Star Service Award	2 PS21 Star Service Awards

Figure 7-1-4: Number of Service Related Awards

7.2 FINANCIAL AND MARKET RESULTS

7.2a Summarise current levels and trends in key measures of financial performance, including aggregate measures of financial results and/or economic value, as appropriate. Compare results relative to competitors and/or benchmarks, as appropriate

MAINTAINING LEAN OPERATIONS

Singapore Customs has kept the cost of revenue collection low despite inflation, as shown in Figure 7-2-1.

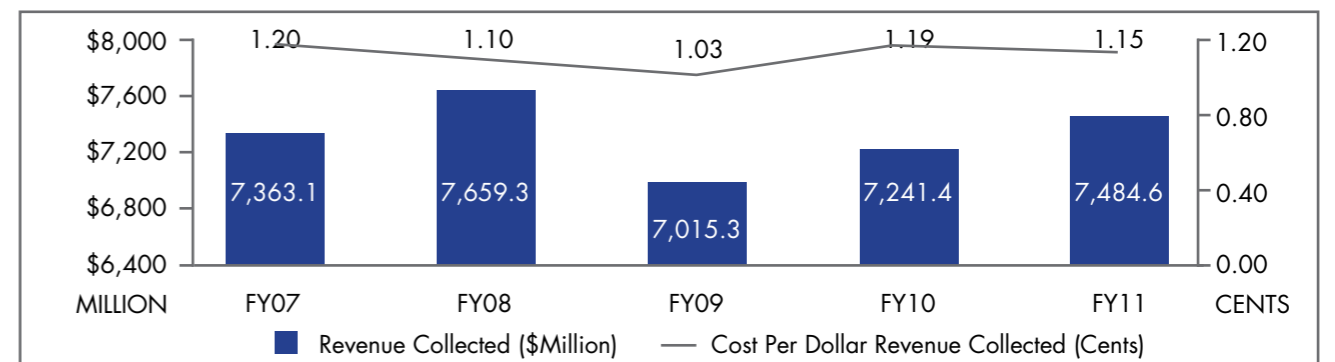


Figure 7-2-1: Cost Per Dollar Revenue Collected

GOOD BUDGET MARKSMANSHIP

Good budget marksmanship has been achieved by Singapore Customs (expenditure generally within the range of 95% to 100% of the allocated budget), comparable to the Whole-of-Government average.

“ For Singapore Customs, finding a flexible and responsive approach that serves business needs has been key to balancing its twin roles of facilitating trade and ensuring the integrity of the trading system.”

Extracted from the article titled 'From regulation to partnership: Singapore transforms trade facilitation' from World Customs Organisation (WCO) News, published in June 2011

MAKING A DIFFERENCE THROUGH PRODUCTIVITY GAINS

Figure 7-2-2 features examples of productivity improvement initiatives rolled out by Singapore Customs in recent years that led to cost savings and greater efficiency for the organisation and businesses.

FINANCIAL YEAR	INITIATIVES	PRODUCTIVITY GAINS
FY08	On-line Pre-Clearance of Containerised Imports of Dutiable Goods	<ul style="list-style-type: none"> Time savings for Singapore Customs, Immigration & Checkpoints Authority and all licenced warehouse operators by directing only high-risk containers to the red channel at the checkpoint for sealing, while containers with lower risk are directed to the green channel for clearance, and licensees can unstuff their containers immediately upon their arrival at the licensed premises
FY09	Duty Exemption and GST Relief on Wine for Approved Events	<ul style="list-style-type: none"> \$118,000 cost savings by the traders/exhibitors through exemption of duty and GST relief Time savings and reduced documentation costs for the exhibitors due to lesser reconciliation and no permit declaration required for the exempted wine
FY09	Online Auction Of Forfeited Motor Vehicles	<ul style="list-style-type: none"> \$3,690 annual man-hour savings \$67,275 annual savings for storage charges 39% increase in number of bidders
FY09	Self-Service Payment Kiosks	<ul style="list-style-type: none"> Singapore Customs officers no longer need to handle routine payment of duty/GST by travellers To date, more than 50% of the total declaration and payments made by travellers at the airport terminals are self-service payment kiosk transactions
FY10	Review on Submission of Endorsed Permits	<ul style="list-style-type: none"> \$396,000 annual savings to the trading community \$14,000 annual savings to Singapore Customs
FY10	Zero-GST Warehouse for Marina Berthing Area	<ul style="list-style-type: none"> \$700,000 annual savings to the traders through suspension of GST

Figure 7-2-2: Productivity Improvement Initiatives

7.2b Summarise current levels and trends in key measures and/or indicators of marketplace performance, including market share/position, market acceptance, business growth, and new markets entered, as appropriate. Compare results relative to competitors and/or benchmarks, as appropriate

A WORLD-CLASS CUSTOMS

Figure 7-2-3 shows the World Economic Forum *Global Enabling Trade Report* for the sub-index on border administration, which assesses the extent to which border authorities facilitate the entry and exit of goods. The sub-index border administration is a composite consisting of three pillars, namely, efficiency of customs administration, efficiency of import-export procedures, and transparency of border administration, which Singapore Customs excels in all fronts.

BORDER ADMINISTRATION	COUNTRY/ECONOMY	2008	2009	2010	2012
	Singapore	1	1	1	1
	Hong Kong SAR	7	7	6	4
	Malaysia	24	33	44	39
	New Zealand	3	5	5	6
	Thailand	56	41	41	47

EFFICIENCY OF CUSTOMS ADMINISTRATION	COUNTRY/ECONOMY	2008	2009	2010	2012
	Singapore	1	1	1	1
	Hong Kong SAR	10	14	13	10
	Malaysia	11	44	48	47
	New Zealand	3	8	7	8
	Thailand	59	43	36	36

EFFICIENCY OF IMPORT-EXPORT PROCEDURES	COUNTRY/ECONOMY	2008	2009	2010	2012
	Singapore	2	1	1	1
	Hong Kong SAR	4	3	2	2
	Malaysia	21	22	29	26
	New Zealand	10	20	24	27
	Thailand	43	11	14	20

TRANSPARENCY OF BORDER ADMINISTRATION	COUNTRY/ECONOMY	2008	2009	2010	2012
	Singapore	5	4	2	3
	Hong Kong SAR	12	12	14	12
	Malaysia	37	40	52	42
	New Zealand	2	3	1	1
	Thailand	69	67	71	82

*Note: The World Economic Forum *Global Enabling Trade Report* was not released in 2011

Figure 7-2-3: Rankings in the World Economic Forum *Global Enabling Trade Report*

The World Bank has ranked Singapore first for the ease of trading across borders in its *Doing Business* report for five consecutive years, as shown in Figure 7-2-4. The ranking was based on three sub-indicators which look at export and import documents, time to export and import, and cost to export and import.

TRADING ACROSS BORDERS	COUNTRY/ECONOMY	2008	2009	2010	2011	2012
	Singapore	1	1	1	1	1
	Hong Kong SAR	3	2	2	2	2
	Malaysia	21	29	35	37	29
	New Zealand	16	23	26	28	27
	Thailand	50	10	12	12	17

DOING BUSINESS REPORT 2012 TRADING ACROSS BORDERS			
Indicators	Singapore	East Asia & Pacific	OECD
Documents to export (number)	4	6	4
Time to export (days)	5	22	10
Cost to export (US\$ per container)	456	906	1,032
Documents to import (number)	4	7	5
Time to import (days)	4	23	11
Cost to import (US\$ per container)	439	954	1,085

Figure 7-2-4: Results of the World Bank Doing Business Report

Figure 7-2-5 shows Singapore's improved ranking in the customs component of the World Bank's Logistics Performance Index. This puts Singapore way ahead of our competitors as the logistics hub for the region.

LOGISTICS PERFORMANCE INDEX (CUSTOMS)	COUNTRY/ECONOMY	2007	2010	2012
	Singapore	3	2	1
	Hong Kong SAR	7	8	3
	Malaysia	23	36	29
	New Zealand	18	16	20
	Thailand	32	39	42

*Note: The World Bank Trade Logistics in the Global Economy (Logistics Performance Index) was released only in 2007, 2010 and 2012

Figure 7-2-5: Results of the World Bank Trade Logistics in the Global Economy (Logistics Performance Index)

7.3 PEOPLE RESULTS

7.3a Summarise the current levels, trends and impact of employee engagement. Segment results by categories of employees, and include comparative data as appropriate

EMPLOYEE ENGAGEMENT

A comparison of the Employee Engagement Survey (EES) conducted in FY11 and the EES conducted in FY09 shows that Singapore Customs has made improvements in 11 out of 12 categories (see Figure 7-3-1).

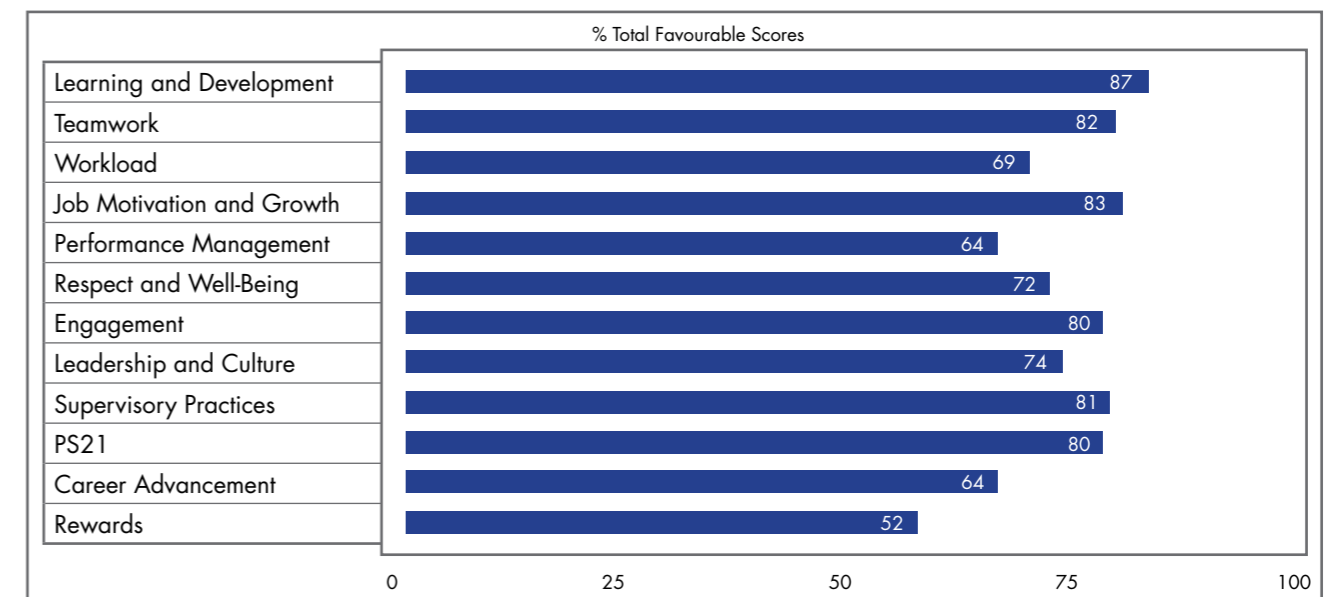


Figure 7-3-1: EES Results (Overall) – FY11 versus FY09



When benchmarked against Public Service EES Norm 2010, Singapore Customs was ranked in the top quartile (top 25%) for all categories, including for the category 'Rewards' (see Figure 7-3-2). Singapore Customs also received best-of-class scores in the areas of 'Supervisory Practices', 'Learning and Development' as well as 'Teamwork'. This meant that we received the same or better scores than the top-ranked public service organisation.

CATEGORIES	% FAVOURABLE	POSITION
Leadership and Culture	74	Top quartile
Supervisory Practices	81*	Top quartile
Career Advancement	64	Top quartile
Job Motivation and Growth	82	Top quartile
Learning and Development	87*	Top quartile
Teamwork	82*	Top quartile
Workload	69	Top quartile
Performance Management	64	Top quartile
Respect and Well-being	72	Top quartile
Rewards	52	Top quartile
Engagement	80	Top quartile

*Indicates Best-of-Class Scores

Figure 7-3-2: EES 2011 Results (Overall) – Singapore Customs Benchmarked Against Public Service Norm 2010

ENGAGING OFFICERS IN INNOVATION

Singapore Customs has garnered many innovation awards (see Figure 7-3-3) in recognition of our efforts in designing better products and services and cutting red tape for our customers. Figure 7-3-4 shows examples of initiatives which were implemented in FY09, FY10 and FY11.

NAME OF AWARD	
Team Excellence Symposium 2012 (1 Gold, 2 Bronze)	Public Service Award 2012 for Best Practice (Regulation)
Team Excellence Symposium 2010 (2 Gold, 1 Silver)	Pro-Enterprise Panel – Annual Silver Award 2010, Annual Gold Award 2011, 2 nd Quarter Award 2011, 2 nd Quarter Award 2012 (2 winners)
MOF Innovator Award 2010, 2011 (2 winners)	MOF High Impact Team 2008, 2010
MOF Finance Challenge 2010	MOF Best Suggestion 2007, 2008
MOF Best Project 2011	MOF Power Award 2006, 2010

Figure 7-3-3: List of Awards won by Singapore Customs

FY09	FY10	FY11
<ul style="list-style-type: none"> New TradeNet® services, mobile services on TradeXchange® Self-service payment kiosks Duty exemption and GST relief on wine for approved events 	<ul style="list-style-type: none"> Online auctioning for motor vehicles Streamlined declaration procedures for temporary removal of goods from licensed premises for exhibitions Facilitation to license marina-based berthing areas under Zero-GST Warehouse Scheme Review of banker's guarantee Facilitation for Singapore Freeport "Whack a peddler" Facebook game 	<ul style="list-style-type: none"> TradeFIRST TradeNet® upgrade Polygraph capability SC CONNECT (Intranet) Review of manufacturing licence fees for microbrewery E-Learning for customs documentation Virtual Singapore Customs academy

Figure 7-3-4: Examples of Initiatives rolled out by Singapore Customs

7.3b Summarise the current levels, trends and impact on learning and development of all employees. Segment results by categories of employees and include comparative data as appropriate

EMPLOYEE TRAINING

Figure 7-3-5 shows the average training expenditure per staff. The overall average training expenditure per staff has generally increased from FY07 to FY09 and stabilised in FY10. The dip in FY11 figures was due to lower expenditure arising from the expanded range of in-house programmes.

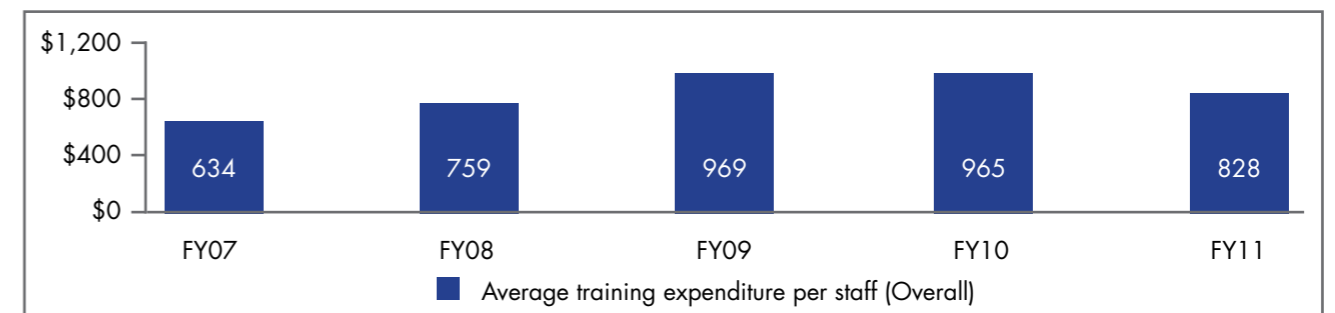


Figure 7-3-5: Average Training Expenditure Per Staff

In terms of training hours, Singapore Customs has consistently exceeded our yearly targets and is performing above Public Service Division's guideline as shown in Figure 7-3-6.

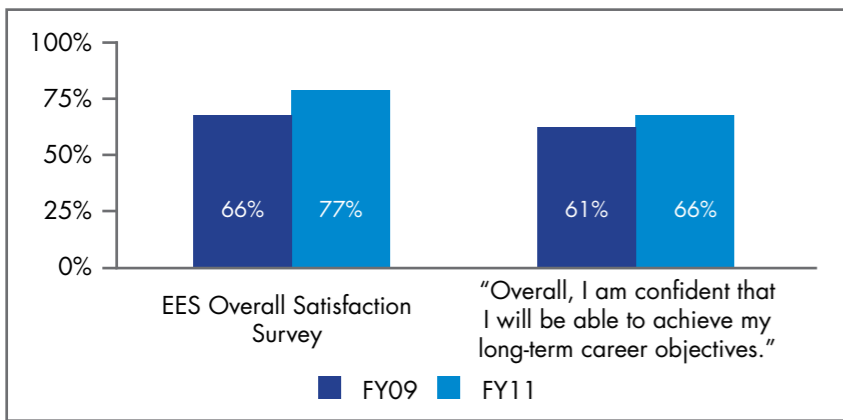
	FY08	FY09	FY10	FY11
Public Service Division Training Policy	Every staff is entitled to 100 hours			
Target	85 hours	85 hours	100 hours	100 hours
Average Training Hours Per Staff (Overall)	127 hours	125 hours	133 hours	125 hours

Figure 7-3-6: Average Training Hours Per Staff

7.3c Summarise the current levels and trends of performance on employee well-being and satisfaction. Segment results by categories of employees and include comparative data as appropriate

EMPLOYEE SATISFACTION

Singapore Customs has also improved significantly in terms of our overall EES Index, achieving 11% points improvement over FY09's results, reiterating our high staff satisfaction levels (see Figure 7-3-7). A high level of employee satisfaction was also reflected by staff's response to the survey statement "Overall, I am confident that I will be able to achieve my long-term career objectives in my organisation".



*EES 2011 does not have an Overall Satisfaction Index. Engagement Index is used as the Overall Satisfaction Index for EES 2011.

Figure 7-3-7: EES Results (Satisfaction)



7.4 OPERATIONAL RESULTS

7.4a Summarise current levels and trends in key measures of design, production, delivery, and support process performance. Include productivity, cycle time, and other appropriate measures of efficiency and innovation. Compare results relative to competitors and/or benchmarks

EFFECTIVE TRADE FACILITATION

Figure 7-4-1 shows the impact before and after the implementation of TradeNet®.

Characteristics	Previous Manual Process	Benefits of TradeNet®
Submission of document	Via despatch clerks/couriers, which is costly	Electronically from the comfort of office (or home)
Time of submission	Within office hours	Available 24 hours
Trips per controlling agency per document	At least 2 trips or more	No trips required
Copies of document	Multiple copies	Single copy
Turnaround time for approval	From 4 hours to 2-7 days	Within 10 minutes
Dutiable goods handling	Separate documents for Singapore Customs processing	Same electronic document routed to Singapore Customs for processing
Controlled goods handling	Separate documents sent to different controlling agencies for processing	Same electronic document routed to controlling agencies for processing
Customs duties collection	By cheque	Automatic bank account deduction

Figure 7-4-1: Impact of TradeNet®

Each year, Singapore Customs processes about nine million TradeNet® declarations (see Figure 7-4-2), with over 90% processed in under 10 minutes. Singapore Customs has been relentless in enhancing the system over the past 22 years. The last system upgrade to version 4.1 was introduced in January 2012.

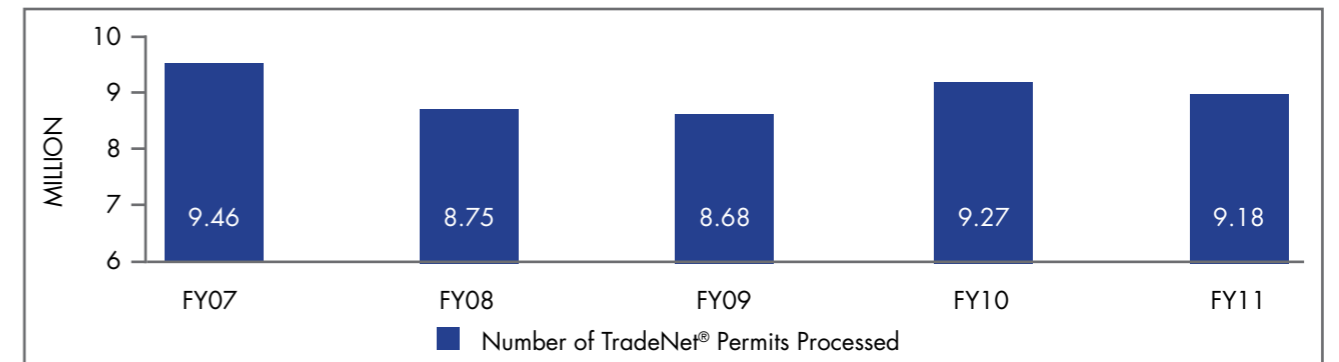


Figure 7-4-2: TradeNet® Permits Processed

Singapore Customs has a number of facilitation schemes that help businesses. There is an increased take-up rate over the years; a sign of the continued relevance of our facilitation schemes.

“With growing complexity in global trading patterns, a close Customs-Business partnership is very important. TradeFIRST allows Singapore Customs to keep abreast of each company’s changing needs, thereby allowing Customs to respond swiftly to their business needs and proactively offer schemes and facilitations that are customised to their unique business needs.”

Extracted from article titled ‘Singapore Customs transforms trade facilitation approach with TradeFIRST’ from World Customs Organisation (WCO) Asia Pacific Customs News, published in February 2011

“This (TradeFIRST) initiative packaged the existing AEO and other customer programmes of Customs in an inclusive manner and provided greater facilitation to companies rated in a higher category.

Noting this initiative as enhancing customer-oriented service in line with this year’s WCO theme on ‘Knowledge’, the Secretary-General discussed the ongoing programme of improving professionalism in Customs and compliance in business.”

Extracted from article titled ‘Singapore supports trade facilitation’ from World Customs Organisation (WCO) Report, published in June 2011

TOWARDS TOTAL SUPPLY CHAIN SECURITY

Mutual recognition of authorised economic operator (AEO) status and controls between Customs Administrations is a critical mechanism to make trade easy, fair and secure. MRAs multiply the benefits of national AEO programmes by bringing trade security and facilitation from the domestic to the international level. Singapore is the first among Customs Administrations in Southeast Asia to implement AEO programme and entered into MRAs.

DATE	COUNTRY	
June 2007	New Zealand-USA	
May 2008	Japan-New Zealand	
June 2008	Canada-USA Jordan-USA	
June 2009	Japan-USA	
July 2009	EU-Norway EU-Switzerland	
June 2010	Canada-Japan Canada-South Korea Canada-Singapore	EU-Japan South Korea-Singapore South Korea-USA
May 2011	South Korea-Japan	
June 2011	South Korea-New Zealand Japan-Singapore	

Figure 7-4-3: MRAs Signed Worldwide and Singapore Customs’ Involvement in Three MRAs

ENFORCEMENT EFFORTS YIELDED POSITIVE RESULTS

Singapore Customs continued to reduce the presence of contraband cigarettes, building on our strong enforcement results achieved over the past few years. The latest enforcement data (see Figure 7-4-4) showed that the quantity of contraband cigarettes seized by the authorities has been falling, reaching a low of 1.9 million packets of cigarettes in CY11. The sale of legal cigarettes has grown over the same period, as shown by a 31.6% increase in duty collected from cigarettes from \$697 million in 2007 to \$917 million in CY11.

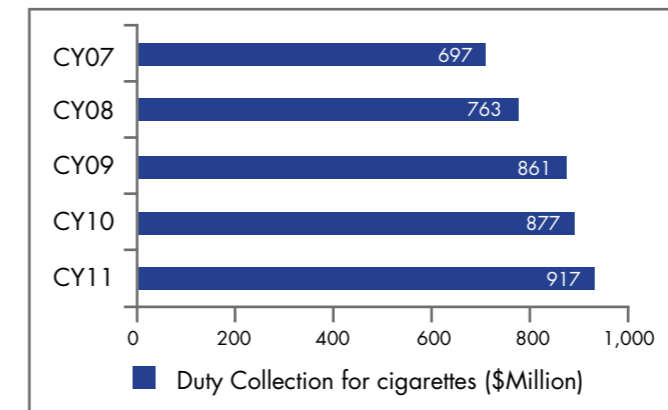
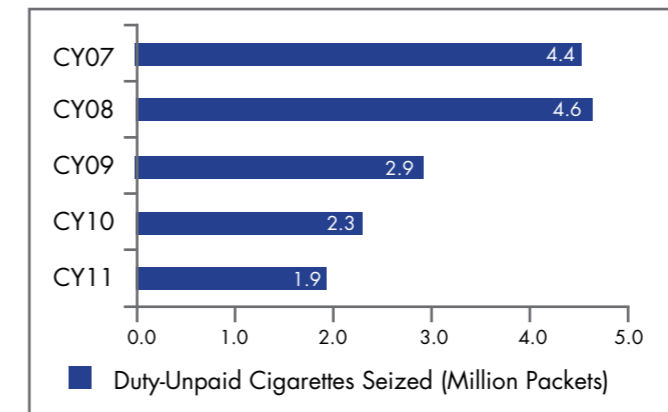


Figure 7-4-4: Contraband Cigarettes Situation

EMPLOYING CREATIVE OUTREACH STRATEGIES

Singapore Customs’ ‘Don’t Get Burnt’ publicity campaign against contraband cigarettes is recognised for employing creative outreach strategies. The campaign clinched two awards at the Asia’s top creative award event in June 2011 organised by Marketing Magazine Agency:

- Best Out-Of-Home (OOH) Campaign: It was judged based on how the OOH campaign was developed and executed. This includes the guerilla stunt, burnt mark t-shirts, roving truck, bus-stop advertisements, wholly-painted buses, etc.
- Best Event Execution: Innovative truck that was able to be transformed into a stage within 10 minutes.

“...Singapore has been able to successfully curb cigarette smuggling and keep its incidence low. This can be attributed to Singapore’s integrated and multi-pronged government tobacco control strategy that includes not only demand reduction measures, but also supply reduction measures such as strengthening customs enforcement, which subsequently saw an increased number of arrests and seizures for cigarette smuggling.”

Extracted from ASEAN Tobacco Tax Report Card – Regional Comparisons and Trends (February 2012) by Southeast Asia Tobacco Control Alliance (SEATCA)

7.4b Summarise current levels and trends in key measures and/or indicators of supplier and partner performance. Include the organisation's results and/or cost improvement resulting from improvements in supplier and partner processes

JOINING FORCES WITH OUR PARTNERS

Singapore Customs works closely with other agencies in a Whole-of-Government approach to implement customs and trade enforcement measures. Figure 7-4-5 and Figure 7-4-6 show the number of joint collaborations with our key partners. For instance, the duty exemption and GST relief on wine initiative had resulted in productivity gains for traders/exhibitors, with \$118,000 cost savings through exemption of duty and GST relief, as well as time savings and reduced documentation costs (refer to Figure 7-2-2). This facilitation had also brought about positive impact on the wine industry, creating greater awareness which in turn led to more wine related events held in Singapore.

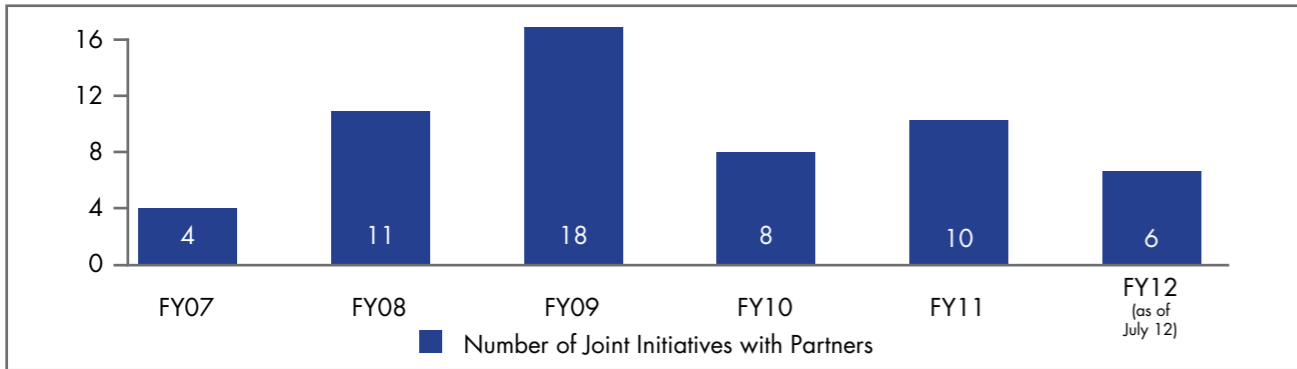


Figure 7-4-5: Joint Facilitation Initiatives with Partners



Figure 7-4-6 shows the number of joint operations conducted with other law enforcement agencies.

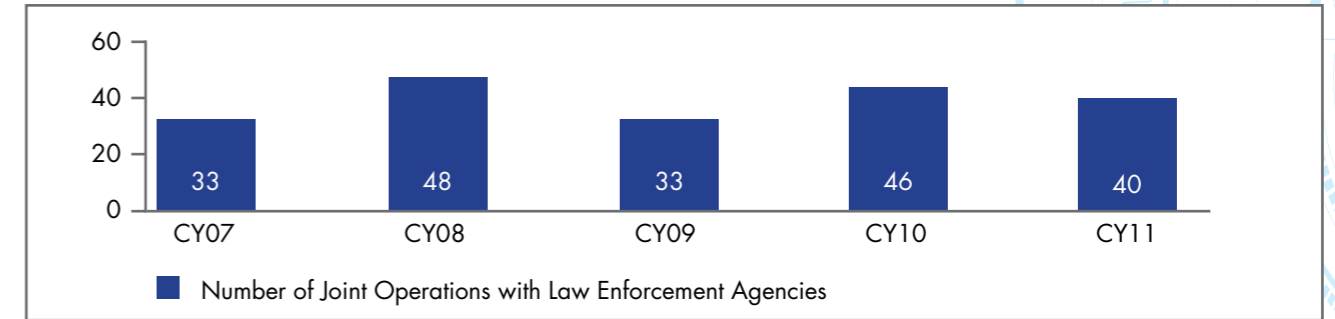


Figure 7-4-6: Joint Operations with Enforcement Partners

7.4c Summarise current levels and trends in key measures and/or indicators of the organisation's contribution to the community, society and the environment

IMPARTING EXPERTISE AND SHARING EXPERIENCES

Singapore Customs believes in contributing back to the community by imparting our expertise and sharing our experiences with both local and foreign agencies so that the overall capacity of the international Customs community can be boosted. Some 39 countries/economies visited Singapore Customs between FY08 and FY12 to learn from us. Figure 7-4-7 shows examples of learning/study visits in FY12.

MONTH	VISITING ADMINISTRATION	AREAS OF INTEREST
17-18 April 2012	Commissioner of Hong Kong Customs and Excise Department	Trade facilitation
25 April 2012	The Netherlands Customs	TradeNet®/TradeXchange®
21 May 2012	Laos Vice-Minister of Finance	National single window
4 July 2012	Luxembourg Customs	National single window
9 July 2012	Azerbaijan Customs	Risk assessment, customs enforcement, and AEO programme

Figure 7-4-7: Examples of Learning/Study Visits from Overseas Administrations in FY12

Recognised for our thought leadership in the Customs arena, Singapore Customs has been invited on many occasions to lead or chair international and regional committees at World Customs Organisation (WCO), the Association of Southeast Asian Nations (ASEAN), and Asia-Pacific Economic Cooperation (APEC) (see Figure 7-4-8). The notable ones include the development of the APEC Trade Recovery Programme and the WCO Trade recovery Guidelines to help economies resume normal trading functions quickly, in the event that supply chains are disrupted.

FINANCIAL YEAR	LIST OF INTERNATIONAL OR REGIONAL COMMITTEES LED/CHAired BY SINGAPORE CUSTOMS
FY08	<ul style="list-style-type: none"> • ASEAN Customs Procedures and Trade Facilitation Working Group (CPTFWG) • WCO SAFE Sub-Group to develop Trade Recovery Guidelines • Special CPTFWG Meetings on Transit
FY09	<ul style="list-style-type: none"> • APEC Sub-Committee on Customs Procedures, APEC Customs Business Dialogue • APEC Trade Recovery Pilot Exercise • ASEAN CPTFWG • ASEAN Harmonised Tariff Nomenclature (AHTN) Task Force • Special CPTFWG Meetings on Transit
FY10	<ul style="list-style-type: none"> • Sub-Working of the CPTFWG on ASEAN Customs Transit System • ASEAN CPTFWG • AHTN Task Force
FY11	<ul style="list-style-type: none"> • AHTN Task Force • ASEAN CPTFWG
FY12	<ul style="list-style-type: none"> • AHTN Task Force • ASEAN CPTFWG

Figure 7-4-8: International or Regional Committees Led/Chaired by Singapore Customs

“ This online e-learning courseware complements existing training on customs procedures that companies may provide for their staff. An additional channel for learning that is available anytime and anywhere, it allows users the flexibility to tailor their learning to suit their specific needs and complete the course at their own pace.”

Extracted from the article titled 'Singapore Customs launches interactive e-learning on Customs Procedures for Traders' from World Customs Organisation (WCO) Asia Pacific Customs News, published in October 2011

“ “Singapore Customs also conducted dialogue sessions with targeted groups of the trading community, for example, the warehouse licensees and members of the trade associations, to address their specific queries and concerns. The trade welcomed the changes as they were facilitative and would bring about greater convenience and flexibility to the traders' operations.” ”

Extracted from the article titled 'Singapore Customs held outreach and dialogue sessions for traders on the implementation of AHTN 2012 and the upgrade of TradeNet® to version 4.1' from World Customs Organisation (WCO) Asia Pacific Customs News, published in February 2012

Our officers have spoken at various international fora as shown in Figure 7-4-9. This shows another aspect of Singapore Customs' contribution to the international community.

FINANCIAL YEAR	REPRESENTATIVE	FORA	LOCATION	TOPIC PRESENTED
FY11	Assistant Director-General (Policy & Planning)	World Trade Organisation Trade Facilitation Symposium	Geneva, Switzerland	Customs-related trade facilitation in ASEAN
	Deputy Head Tariffs & Trade Services	APEC Self-Certification Workshop	Jakarta, Indonesia	Best practices of different self-certification systems
	Head Client Relations	APEC Customs Business Dialogue	San Francisco, USA	The next generation of Customs-Business partnerships
	Deputy Head Corporate Information Technology	APEC Single Window Regional Workshop	Chinese Taipei	Public-private partnership in developing single window system
	Director-General	2011 World Customs and Trade Forum	Guangzhou, China	Participated as one of the panellists for a roundtable discussion on 'A Professional Knowledge Based Service Culture'
FY12	Chief Information Officer	WCO IT Conference 2012	Tallinn, Estonia	Presentation of TradeNet® and TradeXchange®
	Senior Assistant Director-General (Trade)	WCO Global AEO Conference 2012	Seoul, South Korea	Panel lists for a roundtable discussion on 'Mutual Recognition, Powering Global Trade'
	Director-General	WCO-International Civil Aviation Organisation (ICAO) Joint Conference	Singapore	Presentation on 'Harnessing Synergies at National Level'

Figure 7-4-9: Singapore Customs Shares Expertise Internationally

Locally, Singapore Customs conducts customised courses (see Figure 7-4-10) for traders, freight forwarders and shipping agents to improve their understanding of customs documentation and procedures. Strategic goods control courses are also available for companies to improve their compliance with requirements of the Strategic Goods (Control) Act.

COURSES	CY08	CY09	CY10	CY11
Customs Competency Programme for Businesses (Part I)	11	11	12	12
Customs Competency Programme for Businesses (Part II)	3	3	4	4
Strategic Goods (Control) Programme for Businesses	Nil	3	7	6

Figure 7-4-10: Number of Courses Conducted for Trading and Logistics Community

BEING A RESPONSIBLE CORPORATE CITIZEN

Recognising that trade in conflict diamonds can lead to terrorist financing, Singapore Customs was among the first few countries in the world to participate in the Kimberley Process Certification Scheme since 1 April 2004, to stem the flow of conflict diamonds worldwide.

Apart from the strategic goods control courses conducted at the Singapore Customs Academy, we organise outreach sessions for traders to educate them on their obligations in respect of international sanctions and their responsibility to curb the proliferation of dangerous goods and weapons of mass destruction through our strategic goods control regime.

CARING FOR THE ENVIRONMENT

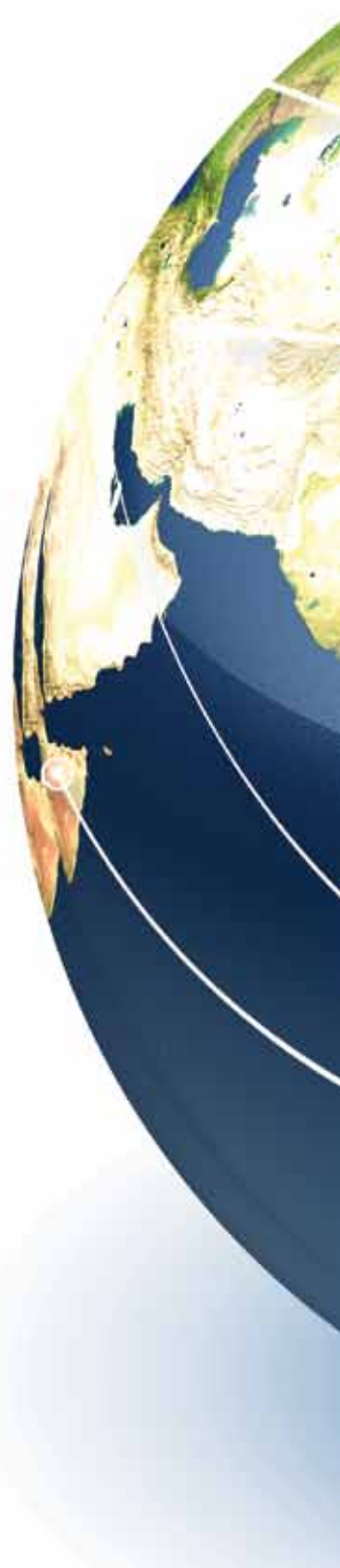
Figure 7-4-11 shows the various environmental initiatives that were implemented over the years.

3R Initiatives	<ul style="list-style-type: none"> • Internal publicity to promote 3Rs – Reduce, Re-use, Recycle, and energy conservation • Regular collection of waste paper and used printer/ fax/copier and toner cartridge for recycling • Officers given environmental friendly bags to reduce the use of plastic carriers • Provision of waste paper recycling boxes on each level
Eco-office Practices	<ul style="list-style-type: none"> • Managed print service to shape print usage by providing visibility into print consumption • Every officer has to append the email signature of “Please consider the environment before printing this email” to remind recipients of environmental protection • Sensors for lighting in toilet and pantries [Joint implementation together with the Inland Revenue Authority of Singapore] • Water efficient flow rates/flush volumes at the various water fittings at the Customs Command Centre
Green Activities	<ul style="list-style-type: none"> • Tree planting with Bishan Home residents at Bishan Park
Incorporating Green Specifications in Invitation to Tender Quotations	<ul style="list-style-type: none"> • Building Construction Authority Green Mark for construction projects such as the scanning stations
Procuring “Green” Office Supplies	<ul style="list-style-type: none"> • Recycled paper for printing and bio-degradable cups for the pantry

Figure 7-4-11: Environmental Initiatives Adopted by Singapore Customs

7.4d Summarise current levels and trends of the organisation’s key measures of its governance system

Singapore Customs measures the effectiveness of our corporate governance system through audits, assessments and certification. We have fared very well in this area. In fact, we had zero audit findings for the last five years (from FY07 to FY11) in the Auditor-General’s Office report.



SINGAPORE CUSTOMS

55 Newton Road
#10-01 Revenue House
Singapore 307987

www.customs.gov.sg