



SINGAPORE CUSTOMS 新加坡关税局 KASTAM SINGAPURA சிங்கப்பூர் கங்கத்துறை

MEDIA RELEASE

28 June 2022

Director of freight forwarding company fined \$7,000 for failing to retain documents

A Singaporean man, Teo Song Cheong (张松清), 51, was sentenced by the State Courts on 27 June 2022 to a fine of \$7,000 for failing to keep and retain the bills of lading (“B/Ls”) relating to exports of goods between March and July 2021.

Teo is the sole director of Maple-Gold Pte Ltd (“Maple-Gold”), which provides freight forwarding, packing and crating services, as well as Akarui Pte Ltd (“Akarui”), which provides local transportation services. He pleaded guilty to one charge of failure to retain trade documents. Another charge of causing an incorrect declaration to be made was taken into consideration during sentencing.

Facts of the Case

On 15 September 2020, Singapore Customs commenced investigations into Maple-Gold and Akarui arising from checks into details of a Cargo Clearance Permit (“CCP”)¹ that was declared for cigarettes exported to Sydney, Australia, but checks in Australia found plastic film rolls instead. Maple-Gold was declared as the exporter in the CCP

¹ A Cargo Clearance Permit (CCP) is required to account for the import and tax payment of the goods. Before the actual importation, an importer is required to obtain a CCP. To obtain a CCP, a declaration is required to be made to Singapore Customs electronically and the GST payable would then be paid to the State.

while Akarui provided the export details to a Licensed Warehouse² operator for the purpose of applying for the CCP.

Investigations revealed that Akarui instructed a Licensed Warehouse operator to state the port of discharge for the said cigarettes as Sydney, Australia, as communicated by Maple-Gold's customer. Maple-Gold's customer subsequently provided a shipping note to Maple-Gold which stated the port of discharge as Melbourne, Australia. However, Teo made no efforts to rectify the error in the CCP, thereby causing an incorrect declaration to be made.

To verify the accuracy of Maple-Gold's past export shipments, Customs requested for Teo to produce trade documents, such as the B/Ls involving 14 shipments for cigarettes exported between March and July 2021. However, Teo was unable to provide Customs with the B/Ls, despite the requirement to keep a copy of the B/Ls for a period of not less than five years. Further investigations revealed that Teo was engaged by an unknown man to import and re-export the cigarettes to Australia. Teo received instructions from the unknown man via an email account controlled by the latter and also communicated with the same person via a messaging platform where messages were auto-deleted once they were read. Teo applied for CCPs for the shipments despite not having the full information and supporting documents.

"Traders and forwarders should exercise due diligence to ensure that the imports and exports they are handling are legitimate and avoid dubious transactions that can be exploited for transnational smuggling. They are also reminded to maintain the required import and export documents for Customs verification. Stern actions will be taken against errant traders to maintain Singapore's reputation as a trusted global trade hub," said Assistant Director-General (Intelligence & Investigation) Yeo Sew Meng [新加坡关税局助理局长(情报与调查)杨秀明].

² Licensed Warehouses are premises licensed by Singapore Customs for storage of dutiable goods, such as cigarettes, with the duty and GST suspended pending re-export or removal for local consumption. Duty and GST are payable if the goods are to be removed from the Licensed Warehouse for local consumption.

Failing to retain documents and records relating to importation and exportation of dutiable goods for a period of not less than five years without reasonable excuse are serious offences under the Customs Act. Offenders can be fined up to \$10,000 and/or jailed for up to three years.

Members of public with information on smuggling activities or evasion of duty or GST can call the Singapore Customs hotline on 1800-2330000 or email customs_intelligence@customs.gov.sg to report these illegal activities.

Singapore Customs
28 June 2022

#