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## SINGAPORE CUSTOMS

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All Traders and Declaring Agents

## PILOT IMPLEMENTATION OF THE CHINA-SINGAPORE MUTUAL RECOGNITION ARRANGEMENT FROM 1 SEPTEMBER 2012

Singapore Customs (SC) and the General Administration of China Customs (GACC) signed a Mutual Recognition Arrangement (MRA) on Authorised Economic Operators (AEOs) in June 2012. With effect from 1 September 2012, SC and the Guangzhou Customs District of China (Nansha Seaport and Baiyun Airport) will implement the MRA on a pilot basis. The purpose of the pilot is to test and fine tune the procedures, before the MRA is fully operational in both countries. Full implementation of the MRA is targeted to be effective from 1 January 2013, pending the successful conclusion of the pilot.

- The China's Authorised Economic Operator (AEO) Programme is also known as the Measures on Classified Management of Enterprises Programme (MCME). The MCME was launched in April 2008 and has five management categories i.e. AA, A, B, C and D. Only 'AA' enterprises under the MCME qualify as AEOs and are covered under the scope of the China-Singapore MRA.
- During the pilot, China's AEOs (AA enterprises) and Singapore's Secure Trade Partnership-Plus (STP-Plus) companies will be recognised as being of lower risk by SC and the Guangzhou Customs District of China respectively. Correspondingly, the goods imported from these entities would enjoy facilitated clearance by the Customs in the importing country. The procedures are outlined below.

## Detailed Procedures to enjoy Mutual Recognition benefits <u>in Guangzhou</u> for Singapore STP-Plus companies

- 4 STP-Plus companies which export goods to Nansha seaport or Baiyun airport in Guangzhou should provide your "STP code" to the importer in China for their import declarations to Guangzhou Customs.
- Following the guidance released by Guangzhou Customs, the Chinese importer trading with STP-Plus companies will input the "STP code" in their import declarations in Guangzhou for mutual recognition purposes.

Detailed Procedures to enjoy Mutual Recognition benefits <u>in Singapore</u> for AA enterprises registered under Guangzhou Customs

- When importing from China, Singapore importer may receive the Customs registration code from the AA enterprise. Alternatively, Singapore importer may approach the AA enterprise for the Customs registration code. The Customs registration code consists of 10 digits.
- When declaring the import permit in TradeNet®, Singapore importer (or its declaring agent) should input the Customs registration code in TradeNet® 4.1 as follows:

Declaration Field	Information to be declared
Customs Procedure Code (CPC)	AEO
Processing Code 1 (PC 1)	CN
Processing Code 2 (PC 2)	XXXXXXXXX

8 In addition to the Customs registration code, STP-Plus importers (or its declaring agent) should also input the importer's "STP code" in the TradeNet® 4.1 as follows:

Declaration Field	Information to be declared
Customs Procedure Code (CPC)	AEO
Processing Code 1 (PC 1)	SG
Processing Code 2 (PC 2)	XXXXXXXXXXX

Singapore Customs will keep the trading community informed of the pilot status of the MRA and the details of the full implementation of the China-Singapore MRA. If you require further clarification, please email your enquiries to us at <a href="mailto:customs.gov.sg">customs.gov.sg</a> or contact the Customs Call Centre at 6355 2000.

Yours sincerely,

WINSTON TAY
HEAD PROCEDURES & SYSTEMS
for DIRECTOR-GENERAL OF CUSTOMS