

Singapore Customs Circular Emphasises Importance of Trade Compliance

On 9 June 2025, Singapore Customs issued Circular No. 06/2025 (the "**Circular**") emphasising the importance of accurately declaring the country of origin of goods for imports, exports, and transshipment—reminding traders of the applicable rules for origin declarations in customs permit applications, and penalties.

The Circular reinforces the Singapore Government's continued commitment to rules-based trade and compliance, particularly in light of heightened public scrutiny about goods flowing through Singapore and the increasing risk of country of origin fraud.

Singapore's Legal Framework on Origin Declarations

Origin declarations in customs permit applications are regulated under the Customs Act 1960 (the "**Customs Act**") and the Regulation of Imports and Exports Act 1995 ("**Regulation of Imports and Exports Act**"), which require all customs declarations to be accurate and truthful. An incorrect or false declaration of origin may constitute an offence under Singapore law and may result in penalties.

According to the Circular, "Singapore" may be declared as the country/region of origin only if the goods meet the relevant origin criteria under (i) an applicable Free Trade Agreement ("**FTA**") to which Singapore is a party, or (ii) Singapore's non-preferential rules of origin.

Singapore's non-preferential origin criteria include requirements such as (i) being wholly obtained in Singapore or (ii) undergoing substantial transformation in Singapore with: (a) local content value of at least 25%; (b) change in HS tariff classification at the 6-digit level; or (c) a qualifying chemical reaction for certain goods. Goods undergoing specified minimal processes in Singapore would not qualify as Singapore-originating (e.g., simple assembly, packing, or labelling). For example, a product that is merely packaged in Singapore would typically not qualify as Singapore-originating under Singapore's non-preferential origin criteria.

Further, the Circular reminds traders that supporting documentation relating to the purchase, import, sale or export of goods must be retained for at least five (5) years from the date of permit approval. The Circular also sets out a list of Frequently Asked Questions providing examples of common origin-related issues.

Enforcement Trends and Regulatory Approach

Since 2020, Singapore Customs has investigated approximately 690 cases involving incorrect certificates or declarations of origin. Enforcement actions have included advisory notices, composition sums, and prosecutions. The authorities have reiterated that they will not hesitate to take "firm and decisive action" against entities that submit inaccurate declarations or attempt to exploit Singapore's status as a trusted trade hub.

In the Joint Media Release by the Singapore Customs and the Singapore Ministry of Trade and Industry, Mr Lee Boon Chong, Senior Assistant Director-General (Trade), commented that:

"Accurate origin declaration is fundamental to Singapore's rules-based trade framework. This advisory reminds businesses of their responsibilities in meeting origin determination requirements, thereby supporting Singapore's reputation as a trusted global trade hub."

The Circular also emphasised that all businesses operating in Singapore are expected to take into account the import requirements and regulations of other countries where applicable to their international business activities. Such activities should be conducted transparently and in full compliance with both local and relevant foreign regulations.

Implications for Business and Compliance

With tariffs being brought into the limelight following recent U.S. trade policy developments, the country of origin of goods has never been more important. This has come with increasing origin misdeclarations (and sometimes fraud) as traders seek to optimise their manufacturing operations to minimise the impact of tariffs. As a global export and transshipment hub, Singapore is at the centre of these developments.

The Circular underscores the increasing compliance expectations facing companies involved in regional and global supply chains. Businesses must ensure that their origin declarations align with the applicable legal criteria and are supported by robust documentation. Errors—whether negligent or deliberate—can trigger regulatory scrutiny, reputational harm, and penalties.

We also highlight that companies should be aware of origin requirements in the country of import. This is especially important for companies exporting to the U.S., China, and other countries with ongoing tariff measures. For example, the origin criteria for recent U.S. tariffs follow U.S. rules—**not** the U.S.-Singapore FTA or Singapore non-preferential rules. A product that is considered originating from Singapore's perspective might not likewise be treated as Singapore-origin for the purposes of U.S. tariffs.

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In summary, businesses are encouraged to:

- *Accurately declare the "Country/Region of Origin" in all permit applications;*
- *Ensure goods meet the applicable origin criteria, whether under an FTA or Singapore's non-preferential rules of origin;*
- *Avoid declaring Singapore as the origin if the goods have only undergone minimal processing that does not satisfy origin requirements;*
- *Maintain supporting documentation for a minimum of five (5) years from the date of permit approval;*
- *Consider origin requirements in the country of import (especially into the U.S. or China); and*
- *Seek legal advice where transactions involve complex production chains or multiple jurisdictions.*

At **Taxise Asia LLC**, we advise on all aspects of trade compliance, including customs regulations, rules of origin, export controls, cross-border investigations, and supply chain risk assessments. Our team supports clients in navigating complex trade laws across Singapore, the United States, and the wider Asia-Pacific region.

You may access the full Circular issued by Singapore Customs [here](#).

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About WTS Taxise

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