

@SINGAPORE

COUNTRY REPORT

47th Executive Council Meeting

**Federation of Asia Pacific Air-cargo Associations
(FAPAA)**

**ZOOM Teleconference
29th June 2021**



@ Singapore

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Industry Overview of Singapore

Background of Singapore:

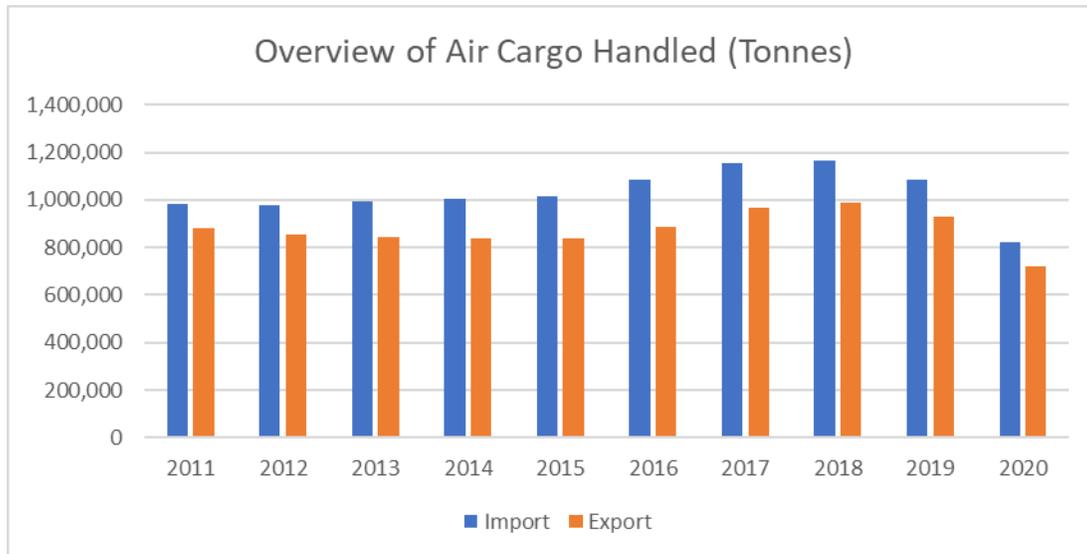
Singapore has built on its advantageous geographical location to become one of the world's top transportation hubs for sea and air cargo. Singapore's container ports are the busiest in the world. They offer a choice of 200 shipping lines with links to some 600 ports in 123 countries.

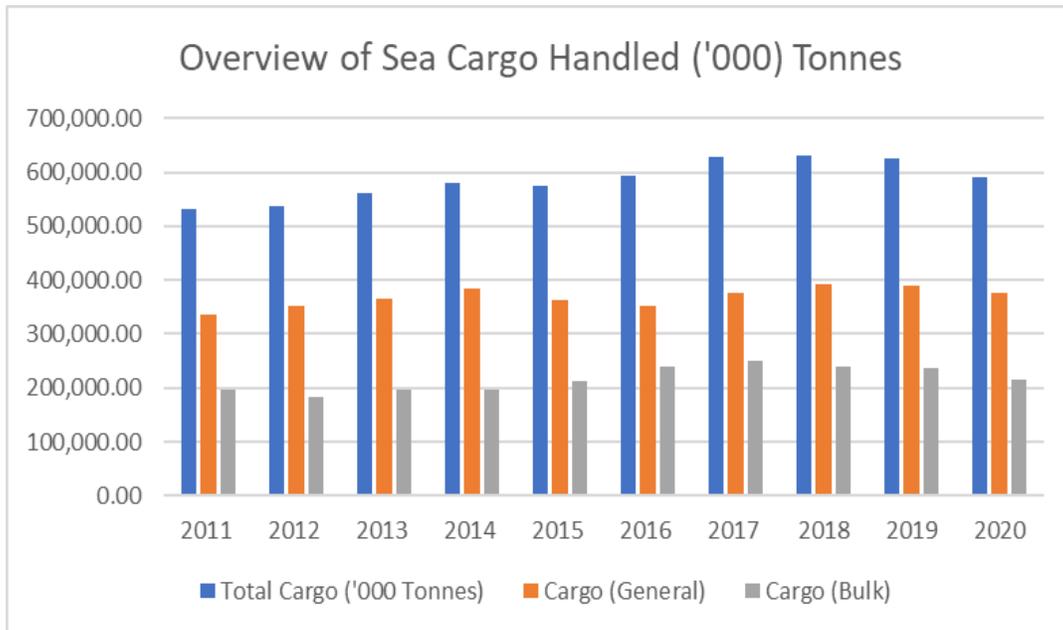
Changi International Airport is linked to some 280 cities in 60 countries, with about 6,900 weekly flights, providing convenience and effective connectivity for passengers and cargo. The Changi Airfreight Centre is a 24-hour, one-stop hub for the storing, moving and repackaging of goods without the need for documentation and custom duties. This has drawn some 6,000 logistics providers to Singapore, including 20 of the world's top 25 third-party logistics providers.

i) Singapore Statistics in Brief

Item Description	2019	2020
Gross Domestic Product	S\$510.7b	S\$469.1b
Share of Gross Domestic Product (%)		
Transportation & Storage	6.7%	5.4%
Air Cargo Handled ('000 Tonnes)	2.01	1.54
Sea Cargo Handled ('000 Tonnes)	626, 521.2	590, 738.3

ii) Past Trends of Cargo Handled by the various modes of transport





iii) Industry Challenges

On the cargo movements, industry conditions were fraught with challenges, in particular with the COVID-19 situation. Growth in major economies around the world continued to be weak.

Five broad Challenges experienced:

- 1) Inventory Management
- 2) Fluctuating demand
- 3) Supply Chain disruptions and operation constraints
- 4) Continued restructuring of local economy
- 5) Manpower constraints

Profile of SAAA@Singapore

i) Vision, Mission, Values

Vision: To lead and transform the Airfreight Industry

Mission Statement : SAAA@Singapore was founded in 1971 with six pioneer members. As a representative of freight forwarders in the industry, SAAA@Singapore was formed with the aim of advocating the following objectives:

- To promote, protect and develop the business of carriage of goods by air transportation in general and the aircargo forwarding business in particular.
- To advance and promote education and technical training in the aircargo forwarding industry and for such purposes to support training schemes.
- To act as arbitrators and to assist in the settlement of disputes between members.
- To act as negotiating body for the member of the Association or with the approval of the Association, for any person, body or company for the transaction of any business connected with aircargo and to make recommendations to Government Departments or Agencies, IATA or other bodies in relation to any measure which may be taken involving members and/or the aircargo industry in Singapore.
- To set and regulate high standards and practices to be maintained by members.

Core Values:

PACT : **Passion** for continuous self-improvement, **Ace** in Innovation and delivering consistent excellence, **Commitment** to pull great service and strive for change, **Trust** in our Partners and engaging in future collaborations.



ii) Members Profile

As of 16 June 2021, SAAA@Singapore has a total of 151 Members of which, 113 are Ordinary Members and 38 are Associate Members.

i) Executive Board Profile

No.	Name	Position	Organization / Company Name	Role at SAAA
1	Mr Steven Lee	Vice President – Air Product	Ceva Logistics Singapore Pte Ltd	Chairman
2	Mr Paul Teo	VP, South Asia Centre	Speedmark Air Transportation Pte Ltd	First Deputy Chairman
3	Mr Benjamin Ong	President	Alliance 21 Pte Ltd	Second Deputy Chairman
4	Mr Ken Chua	Sales & Marketing Manager	UT-WAYS Freight Services Pte Ltd	Honorary Secretary
5	Mr Jimmy Ler	Country Director	Logwin Air + Ocean Singapore Pte Ltd	Honorary Treasurer
6	Mr Michael Yew	Honorary Executive	SAAA@Singapore	Honorary Executive
7	Mr Richard Chua	Honorary Executive	SAAA@Singapore	Honorary Executive
8	Mr Marc Ong	Director	Aspac Aircargo Services Pte Ltd	Council Member
9	Mr Richard Tan	Director	Merstar International (S) Pte Ltd	Council Member
10	Mr Ramadas Naidu	Chief Operating Officer	ISS Global Forwarding Asia Holding Pte Ltd	Council Member
11	Mr Daniel Chng	Director	Airtropolis Express (S) Pte Ltd	Council Member
12	Mr Gabriel Lam	CEO	Shalom International Movers Pte Ltd	Council Member
13	Mr Gary Ong	Director	Cargotec Pte Ltd	Council Member
14	Mr Roger Chew	Regional Sales Director	SFS Global Logistics Pte Ltd	Council Member

Local Regulatory and Industry Developments

i) Launch of THRU FRESH Perishables Product **- For achievement of IATA CEIV Fresh certification**

Singapore Airlines achieved its IATA CEIV Fresh certification and became the first airline in Southeast Asia to receive the International Air Transport Association's (IATA) global certification for its handling of perishable products via its Singapore hub. The Centre of Excellence for Independent Validators in Perishable Logistics (CEIV Fresh) certification is based on IATA's Perishable Cargo Regulations, which combine regulatory and operational inputs from government and industry experts.

SIA proceeded to launch the THRU FRESH perishables product. The THRU FRESH product is a new service to transport time and temperature-sensitive perishable cargo with speed and reliability aimed at meeting the stringent demands of transporting delicate and short-shelf life products, such as live seafood, chilled meat, fruits and vegetables by air. Its features include dedicated cold chain services such as priority uplift and handling, quick ramp transfers and cold room facilities to safeguard the integrity of perishables.

ii) Issuance of Export Certificates by Singapore Food Agency **- Compliance of export products**

Since April 2020, due to Covid-19 safe distancing measures, the Singapore Food Agency (SFA) has been issuing export certificates to companies which require certification on compliance of their export products (food, live food fish and animal feed) with importing countries by despatching the export documents to the companies. Companies which apply for export certificates (issued in the watermark format) are required to procure a printer compatible with the watermark format and self-print their export document.

To help exporters with business continuity during the period, SFA had been absorbing the cost of despatching the export certificates to exporters by registered mail. With effect from 1 April 2021, an administrative fee of \$9 per parcel (regardless of the number of export certificates) would be imposed to the same exporter with one single delivery address for delivery of the export documents by registered mail. For example, the fee will be \$9 if you have one or more certificates despatched to one address on the same day.

SAAA@Singapore Events

A) 2020 Past Events

i) Republic Polytechnic Students' Visit to Changi Airfreight Centre

Changi Airport Group (CAG) organized three Republic Polytechnic students' visits to Changi Airfreight Centre on the following dates: 9, 13 and 14 January 2020.

In strong support and representation of SAAA@Singapore, Mr Jimmy Ler, Honorary Deputy Secretary, brought in the participation of Logwin Air+Ocean Singapore Pte Ltd to educate the students on the freight forwarding aspects of logistics industry and to reveal future career prospects for their consideration.

This was followed by a site visit at dnata Singapore premises to discover on the facilities available for perishables and cargo movements.

ii) SAAA CNY Members Night 2020

On 17 January 2020, SAAA@Singapore hosted its first SAAA CNY Members Night– a splendid evening at NSRCC Fu Lin Men spent in delightful company of over 90 freight forwarders, embassies and government agencies.

The event proved to be a fun lively night of entertainment, with an impromptu karaoke session amongst the enthusiasts. The microphone was passed between swift hands and attendees bear witness to the different, rich and powerful singing which soon filled the air. This led to the amazing discovery of numerous singing talents.

The evening concluded with tokens of appreciation given to SAAA Council Board as a form of appreciation to their hard work for 2019 and to strive on for future plans in this year, 2020.

iii) The First Step: SAAA Meeting with SMS Lam

Amidst the tightening measures and concerns of the COVID-19 situation, there had been various feedbacks from SAAA member companies on the industry pain points.

On 2 April 2020, Dr Lam Pin Min, Senior Minister of State, Ministry of Transport & Ministry of Health, had a candid and frank discussion with SAAA@Singapore.

The meeting ended on a positive note. Upon confirmation of details, it will be shared to SAAA members at a later period.

iv) Place & Train (PnT) Programme for Air Freight Forwarders Webinar

SAAA had organized the first webinar outreach session for the PnT Programme for Air Freight Forwarders on 22 April 2020. The programme was made available from April 2020 to April 2021.

Due to COVID-19 and in support of Budget 2020, Workforce Singapore (WSG) had enhanced a six months' Place-and-Train programme for air freight forwarders, targeted at existing rank and file employees.

The programme had commenced in April 2020 and accepted intakes of participants from every 20th of the following months as the deadline for registration and documents submission. The last programme intake was in March 2021.

v) Digital Payment – The Way Forward

In line with the government's push towards a "Digital" society and the target for Singapore to be cheque-free by 2025, SAAA hosted the "SAAA Digital Payment The Way Forward" Webinar on the Cisco Webex platform on 19 June 2020. This was held in partnership with HSBC.

The purpose of the event was to strongly encourage members to embark on the journey towards digitalized payment.

The session had been well attended by over 60 participants and the attendees had the opportunity to listen to presentations on the payment landscape, the available corporate payment modes such as PayNow and in general, how companies could pave the way forward to adopt digitalized payment. The event ended on a good note.

vi) SATS Cosys + Cutover Briefings

SATS and SAAA co-organized the virtual SATS Cosys + Cutover briefings on 13 and 14 August 2020. In the sessions, SATS shared with the audience on SATS Cosys + Cutover timeline.

The cutover of all foreign carriers had been handled. The migration for SQ group began in end September 2020 in three waves. And, SATS launched the new web portal by end 2020. The new web portal offered some of the features such as booking of SATS express cargo, upload ePouch and password. For any enquiries, there was hotline service provided during end September to October 2020.

Overall, the briefings ended on a good note.

vii) SAAA AGM 2020

SAAA@Singapore organized its first virtual Annual General Meeting (AGM) 2020 on 15 September 2020. The event had concluded successfully with the online attendance of 27 ordinary members and 1 associate member.

In the Chairman's opening address, Mr Steven Lee expressed regrets on being unable to meet the members community in person. Although SAAA@Singapore had originally scheduled an in-person AGM in June 2020, the COVID-19 pandemic and circuit-breaker measures in Singapore necessitated that the event move online. COVID-19 pandemic has acted as a catalyst for digitization and technological advancements and in view of this, Mr Steven Lee emphasized on the paramount importance to maintain an open mind to embrace new digital solutions and platforms to strive on during such challenging times.

Mr Benjamin Ong, Honorary Treasurer, shared with the audience on the financial summary and budget of SAAA@Singapore. This was followed by Mr Jimmy Ler, Honorary Deputy Secretary, who referred to the recent industry events of the association such as SAAA Digital Payment The Way Forward Webinar and future webinar: October Series Air Cargo Digitalization.

Through proxy, SAAA e-AGM approved on the minutes of the 45th AGM 2019 held on 15 February 2019, the EGM minutes held on 27 June 2019, the Council's report and audited accounts for the year ended 31 December 2019, budget for the ensuing year 2020, annual subscription and entrance fees for ensuing financial year, and the appointment of Thong & Lim as external auditor. A live voting was conducted during the virtual meeting, of which Mr Richard Chua, Honorary Secretary, announced upon the 19 votes in approval to elect the 13 nominees for the new term of SAAA Council Board 2020/2022.

Mr Paul Teo, Deputy Chairman, expressed thanks to members for their continued trust in SAAA@Singapore and strong support in attending SAAA e-AGM 2020. SAAA@Singapore is committed to continually serve the members' community with passion and dedication. With that, SAAA e-AGM 2020 came to an end.

viii) SAAA Virtual OctoWebFest 2020

SAAA organized its very first virtual October Webinar Festival series from 21 to 23 October 2020. The event was supported by Enterprise Singapore.

With the theme "Air Cargo Digitalization", the event series had an excellent line-up of presenters sharing their insights and expertise on the safe practices of Aviation Safety without compromising security and supply chain efficiency. Civil Aviation Authority of Singapore (CAAS) presented on Tell Sarah – Singapore's new voluntary reporting system for aviation safety, as well as a sharing of past Dangerous Goods incidents. This was followed by Schenker Singapore in their presentation of compliance in movement of dangerous goods.

The Operations Excellence with Digitalization sought to enlighten audiences of the evolution of technologies across the various platforms available for logistics companies to tap on. There can be considerations to be on board such as Cargo Community Network Pte Ltd's Exchange@Cube and vCargo Cloud Pte Ltd's GUUD platform. Changi Airport Group had also shared on Changi Air Cargo Community System: Community Insights Application.

HSBC and SAAA co-organised the last session: Payment Digitalization to provide a Digital-Deep-Dive Workshop to the attendees on 23 October 2020. This resulted in fruitful discussions on the future possibilities for payment digitalization to be adopted at ground terminals, which could provide smoother and efficient cargo clearance and convenience payment made available to freight forwarders and their contractors. All in all, the event ended on a good note.

B) 2021 Events

i) COVID-19 Precautionary Measures at Changi Airfreight Centre (CAC) Webinars

Amidst the COVID-19 situation, the need arose for the Airfreight community based at Changi Airfreight Centre (CAC) to be notified on the updates on Civil Aviation Authority of Singapore (CAAS) directives for the COVID-19 Precautionary Measures at Changi Airfreight Centre (CAC). This resulted in two webinars organized jointly by CAAS, Changi Airport Group (CAG) and SAAA@Singapore.

The two virtual webinars were held across Cisco Webex and Microsoft teams platforms on 12 January 2021 and 2 February 2021 respectively. The key highlights involved the precautionary measures to be taken in interaction with the cross border truckers or air crew from overseas, the appropriate use of personal protective equipment (PPE) for the different individuals in their work scope, Rostered Routine Testing and vaccination. In the way forward, there will also be the TraceTogether(TT)-only SafeEntry to facilitate contact tracing. Lastly, companies were required to submit their implementation plans to meet CAAS directives.

The session ended with Q&A, which provided better clarity to the Airfreight community on the role that they had to partake in, as well as the efforts to procure the necessary equipments in ensuring compliance to the safe management measures. The Airfreight community had also been informed that CAAS and CAG will conduct inspections within airside and CAC.

ii) Swab Tests & Vaccination for Airfreight Community

The Airfreight community at Changi Airfreight Centre (CAC) underwent a round of swab tests for COVID-19. The swab tests were conducted at Cargo Agents Building C. This was held in conjunction with advance vaccinations rolled out for the Freight community at Changi Airport Terminal 4.

As key leaders of the industry to kickstart the vaccination drive, SAAA had participated in the ONE Changi Vaccination exercise on 19 January 2021. It was a memorable moment to witness Mr Steven Lee, SAAA Chairman, Mr Paul Teo, SAAA First Deputy Chairman, and Mr Benjamin Ong, Second Deputy Chairman, undergo the vaccination. In collaboration with Civil Aviation Authority of Singapore (CAAS) and Changi Airport Group (CAG), SAAA@Singapore had also rendered support in the outreach to the members community for vaccinations registration, as well as the promotion of the TraceTogether tokens. The vaccinations are a very important step towards reviving Singapore's air hub, which has been decimated by the pandemic. It was critical to increase heightened awareness of the Freight community on the opportunities made available.

iii) Cessation of Endorsement on the Cargo Clearance Permits (CCPs)

Immigration & Checkpoints Authority (ICA) organized a face-to-face video-conference session with SAAA and its members community on 14 April 2021.

In the webinar, ICA announced that the cessation of endorsement on the CCPs will be implemented in the second half of Year 2021. The Government will provide sufficient lead time for industry to make necessary internal adjustments to meet the implementation timeline.

Currently, clearance information is already electronically captured in the system when drivers present a printed copy of the CCP to the ICA officer for clearance at the checkpoint. The manual endorsement on the CCPs at the checkpoints is not a requirement by the Authorities and hence will be discontinued to facilitate the flow of goods at the checkpoints.

Following the cessation, drivers will no longer need to wait for their CCPs to be manually endorsed by ICA officer. They are still required to report to the red lane for clearance, as per the requirement specified in the permit condition, and can drive off after the CCPs are cleared and if no further checks are required by ICA.

iv) Known Consignor Regime (KCR) Webinars

In collaboration with Airport Police Division (APD) and industry partners, SATS and dnata Singapore, SAAA hosted a total of four Known Consignor Regime (KCR) webinars in the month of June. The webinars were well attended by both shippers and freight forwarders, alike.

It is important to note that Singapore will be implementing the Known Consignor Regime (KCR) on 1st July 2021. The KCR is a security measure to further enhance air cargo security on commercial aircrafts in view of the global terrorist threat and this is a requirement by the International Civil Aviation Organization. Consignors may register to be Known Consignors (KCs) and be included in the List of KCs maintained by Police. KCs who ship their cargo via Regulated Air Cargo Agents will enjoy random screening of their known cargo as they would have already adopted an acceptable level of security in their business operations. On the other hand, consignors who do not wish to register as KCs may continue their current operations but the entire consignments of their cargo will be subjected to full security measures at the airfreight terminals. SAAA highly encourages all agents to notify their respective shippers of these measures.

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