

#### **4<sup>th</sup> Services Committee Meeting Summary**

Chairman, Mr Lakhbir Singh, opened the meeting with greetings and introductions. The quorum was met. The minutes from the 3<sup>rd</sup> Services Committee Meeting were then adopted without further comments.

Walter Lin from Jurong Port provided an update on the port's performance, restructuring, and construction ecosystem developments. In 2024, Jurong Port met 98% of its manpower demands, addressing the remaining 2% with at least 50% service provision. The port has ceased using quay cranes due to decreased throughput, high maintenance and operating costs, and significant capital investments. As part of its organizational restructuring, Jurong Port has merged operational and safety personnel into a new role called Port Operation Specialists to improve efficiency and communication. The port continues to support the construction industry by transporting essential materials and has initiated a Ready-Mix Concrete (RMC) ecosystem to streamline processes, reduce truck trips, optimize land use, and enhance efficiency and cost savings.

Ging Ng from IMDA presented on InvoiceNow, focusing on its adoption, costs, and benefits. Key points included the integration cost of \$10,000 to \$20,000 for ERP systems like SAP or Oracle, with a \$10,000 grant available for businesses. The system's benefits include streamlined GST reporting and reduced manual work, with current and future mandates expected for GST compliance. Businesses can access free portals based on their category, and while existing systems don't need to change, compatibility with the network is required. The system supports various currencies and aims to enhance B2B and B2G transactions, with ongoing discussions about industry-specific applications and the importance of early preparation.

Mr. Frankie Tan from Wallem Shipping, Chairman of the Cruise Workgroup, updated on the cruise sector's challenges. Due to tight schedules, no recent Workgroup meeting occurred. Some key issues were discussed which STB is working on addressing congestion and berth shortages, with updates expected soon. Marina Bay Cruise Centre and Singapore Cruise Centre announced tariff increases effective from November 2024, with further increases planned by April 2026, primarily affecting security charges and passenger wharfage. For drydocking, ships must clear inward clearance at MSP or WCP by sea-route before crew shore leave. Mr. Lakhbir Singh noted that the Workgroup's engagement with ICA has been productive, allowing the sector to address issues and collaborate on security, especially regarding smuggling concerns via sea routes.

The Chair discussed the importance of bank guarantees for securing payments and mitigating default risks, noting that while Giro simplifies transactions by removing invoicing and manual transfers, it does not replace the need for a bank guarantee. Adjustments to bank guarantee requirements are proposed, such as reducing them

for reliable paymasters while maintaining higher deposits for those without credit history. The current stringent requirements are seen as a financial burden for smaller agents, and there is a call for exploring alternatives like insurance to alleviate this strain. Members are encouraged to develop and share proposals by October, aiming to collaboratively find a balanced solution with Jurong Port and other stakeholders.

The meeting focused on addressing inconsistencies in crew change policies at private Chevron terminals, highlighted by an incident where crew changes were unexpectedly denied, causing confusion. MPA and SSA have been working to resolve these issues, but discrepancies remain. It was proposed to standardize agreements with terminals and document experiences to present a unified request to MPA for consistent policies. Members will gather information on crew change policies from other terminals, compile it into a report, and seek official responses from terminals to ensure clarity and prevent future misunderstandings.

The Chair reminded the committee of the SSA Annual General Meeting set for June 28, 2024, with further details to be provided later. Under any other business, some key updates including the Underwater Ship Husbandry Seminar on October 10, 2024, where Patrick Tang from GAC will represent SSA, and new MPA regulations on life jackets to be announced in September 2024. The port is also experiencing significant congestion due to high demand, with PSA working to address delays through increased capacity and coordination. Brian from Marina Offshore also brought up shipyard tug requirements exceeding established MPA guidelines, leading to significantly higher costs. The secretariats will begin discussions with MPA to address these issues. Stricter enforcement of the six-month passport rule for crew signing off was noted by the committee. Agents should advise crew to renew passports before joining, and for signing off, ICA may allow exceptions with proper documentation. The members noted that embassies might also be able assist with temporary extensions.

The Chair introduced Jack Ang as the new secretary for the Services Committee, praising his quick adaptability and encouraging team members to communicate feedback and establish a good rapport with him. The Chair expressed gratitude for everyone's participation and looked forward to future meetings, including the AGM.

Singapore, 30th May 2024

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