

Guidelines to Apply for Export License For Controlled Commercial Products Under Customs Orders

INTRODUCTION

- 1.
2. The purpose of these guidelines is to explain the **conditions** and **procedures** that need to be complied with by **companies** that wish to apply for **Export License** of commercial products controlled under the **Customs Orders 2008 (Prohibition of Export), Customs Act 1967**.
3. Products listed under the Customs Orders are **cement, roofing tiles, gravel stone, mining product, chemical product under the Chemical Weapon Convention (CWC), iron steel and food products**.

CONDITIONS AND PROCEDURES FOR APPLICATION

1. Companies that are eligible to apply need to be registered with the Companies Commission of Malaysia.
2. How to apply
Companies need to submit the Application Form together with:
 1. Customs Form K2 .
 2. Memorandum and Article of Association (M & A).
 3. **Form 24 : Information of Shareholders.**
 4. **Form 49 : Information of Directors, Managers and Company Secretary.****M&A, Forms 24 and 49 are required for first time application.**
3. Supporting Documents
Other documents that need to be enclosed with the Application Form for each particular product are:
 - i. Cement
 - Sales Invoice.
 - ii. Roofing Tiles
 - Sales Invoice.
 - sample of product.
 - iii. Gravel Stone
 - Approval Letter from the Land and District Office.
 - Approval Letter from the State Mining Department for exportation of silicon sand.
 - Original Permit (Form 4C) from the respective State Land and District Office.

- sales Invoice.
- sample of product.
- iv. Mining Product
 - Approval Letter from the State Mining Office.
 - Record of exportation.
 - Sales Invoice.
 - Sample of products.
- v. Chemical Product under the Chemical Weapon Convention (CWC)
 - Sales Invoice.
- vi. Iron & Steel
 - Long Products Iron
 - Sales Invoice and Packing List.
 - Scrap Iron

All scrap iron are allowed for export except aluminum scrap and iron scrap.

- Manufacturing License (ICA 1975).
- Business License for Scrap Items from Royal Malaysian Police Department.
- Sales Invoice and Packing List.
- Food products
 - Palm Oil
 - License issued by Malaysia Palm Oil Board (MPOB).
 - Sales Invoice.
 - Milk
 - Purchase Invoice from local or foreign milk manufacturer (for trading companies)
 - Sales Invoice and Packing List
 - Other Sugar (other than refined sugar)
 - sample of sugar.
 - Sales Invoice.

4. Customs Form (K2) is available at:
 Syarikat Percetakan Nasional (M) Bhd.,
 Jalan Chan Sow Lin 50554 Kuala Lumpur

Tel. : 03-92212022

Fax. : 03-92220690

5. Submission of Application

Completed Application Form should be submitted to:

Ministry of International Trade & Industry (MITI)

Import & Export Control Section
2nd Floor, Block 10,
Govt Offices Complex, Jalan Duta
50622 Kuala Lumpur

Tel.: 03-6203 3022
Fax.: 03-6201 3012

APPROVING AUTHORITY

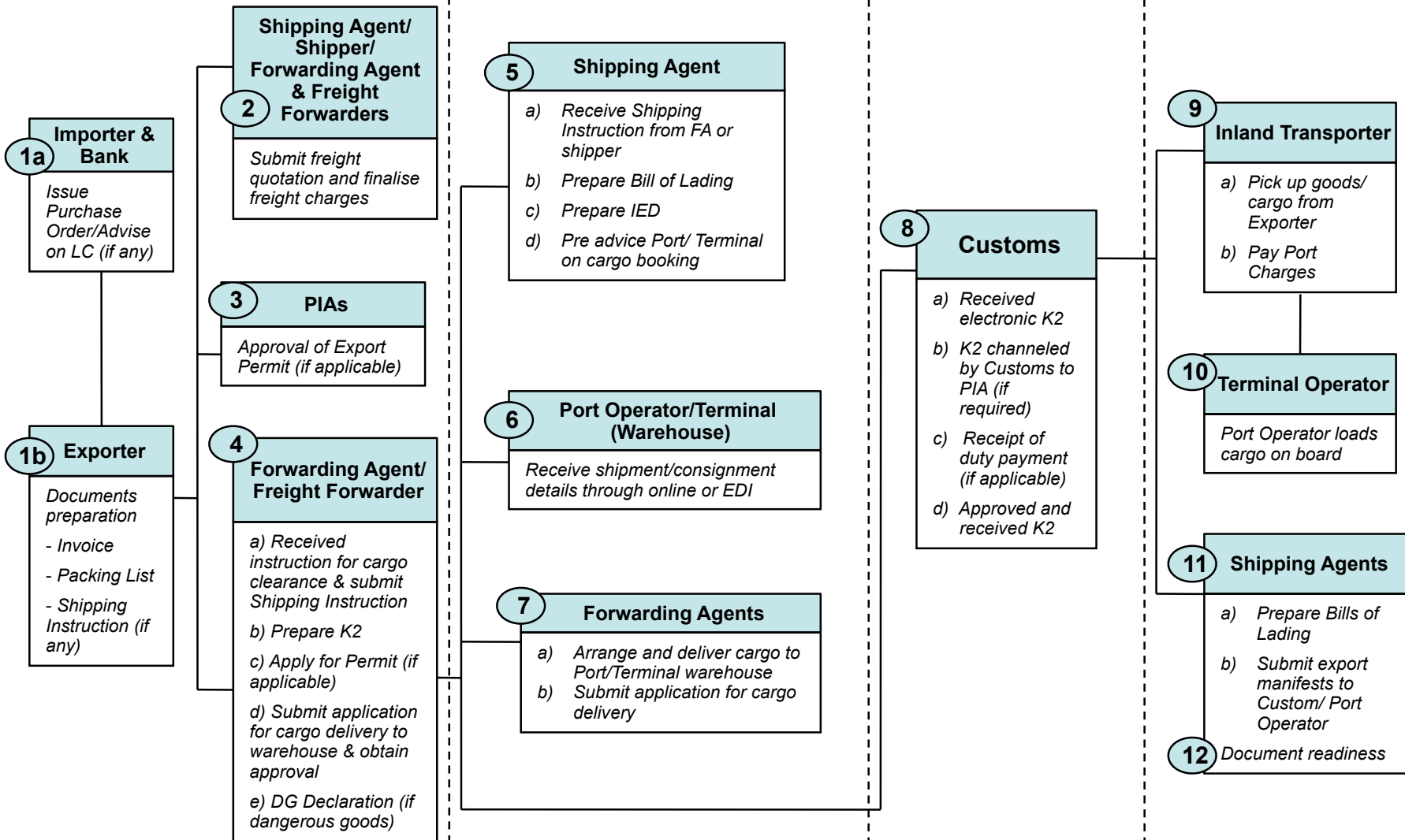
Secretary General of MITI.

CLIENTS' CHARTER

Application will be processed within 5 working days (manual application) and 3 working days (online application) upon receipt of completed application.

EXPORT FLOW FOR BREAK BULK CARGO - (PORT KLANG)

Attachment 1b



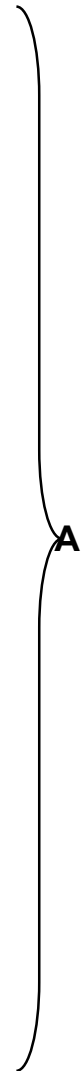
A: Documents Preparation

B: Inland Transportation & Handling

C: Customs Clearance & Tech Control

D: Ports & Terminal Handling

No	Process Flow	Document	Process Time	Cost
1a	Importer issues Purchase Order to Exporter. A Letter of Credit (LC) advise is issued by the bank (for applicable shipments)	Purchase Order	2 working days (LC advise)	Forwarding charges: RM100 – RM150 per consignment (Based on the volume)
1b	Exporter prepares commercial Invoice, Packing List & Shipping Instruction (after the order is confirmed) <i>* Shipping booking can be done in advance</i> <i>* Shipping Instruction when all details are available</i>	Invoice Packing list Shipping Instruction	1 day (document preparation) Overall – 2 days	
2	Submit Freight Quotation under commercial rate and finalise freight charges with shipper. - Receive and accept booking from shipper. - Provide shipper with booking confirmation. <i>* Freight Quotation and freight charges can be done in advance</i>	Freight Quotation Shipping Instruction		
3	PIA approves Export Permit (if applicable)	Export Permit	Based on PIA client charter	
4	a) Forwarding Agent received instruction for cargo clearance and submit Shipping Instruction b) Prepare K2 c) Apply for Export Permit from PIA (if applicable) d) Forwarding Agent submit application for cargo delivery to warehouse/obtain approval e) DG Declaration (if dangerous goods) <i>* Export Permit can be done in advance</i>	Shipping Instruction K2 Export Permit DG Declaration	Overall – 2 days 1 hour	EDI charges: RM0.88 per kb. (RM5 per



No	Process Flow	Document	Process Time	Cost
5	Shipping Agent a) Receive Shipping Instruction b) Shipping Agents Prepare Bill of Lading c) Prepare Integrated Export Document (IED) d) Pre-advise Port/Terminal on cargo booking	Shipping Instruction IED	1 hour	RM110 per B/L
6	Port Operator receive shipment/consignment details as export pre-advise through online or EDI	Export pre-advise details	5 min	No cost
7	a) Arrange and deliver cargo to Port/Terminal warehouse b) Submit application for cargo delivery	IED	1 hour	No cost

} **B**

No	Process Flow	Document	Process Time	Cost
8	a) Customs receives electronic K2 declaration (paperless transactions only)	K2 Export Permit	2 – 5 min	No cost
	b) Electronic K2 is channeled by Customs to PIAs if required. Inspection or endorsement of permit by PIA (if applicable)	K2 Export Permit	2 – 5 min	No cost
	c) Payment of duty (if applicable), either by Electronic Fund Transfer (EFT) or manual	Bank Draft Cheque	10 – 15 min	EFT charges : RM 15.00 per B/L No cost
	d) Approved/released K2 from Customs.	K2		
9	Inland Transporters a) Pick up goods/cargo from Exporter b) Pay Port Charges	IED Load List	30 minutes	Port charges: as per tariff
10	Port Operator loads cargo onboard	IED Load List	1 hour	
11	Shipping Agent send electronic manifest (e-manifest) to Customs (within 7 days after vessel departure)	e-manifest	Within 7 days	RM30 per B/L
12	Document readiness	K2 IED	30 min	Forwarding charges: RM100

C

D

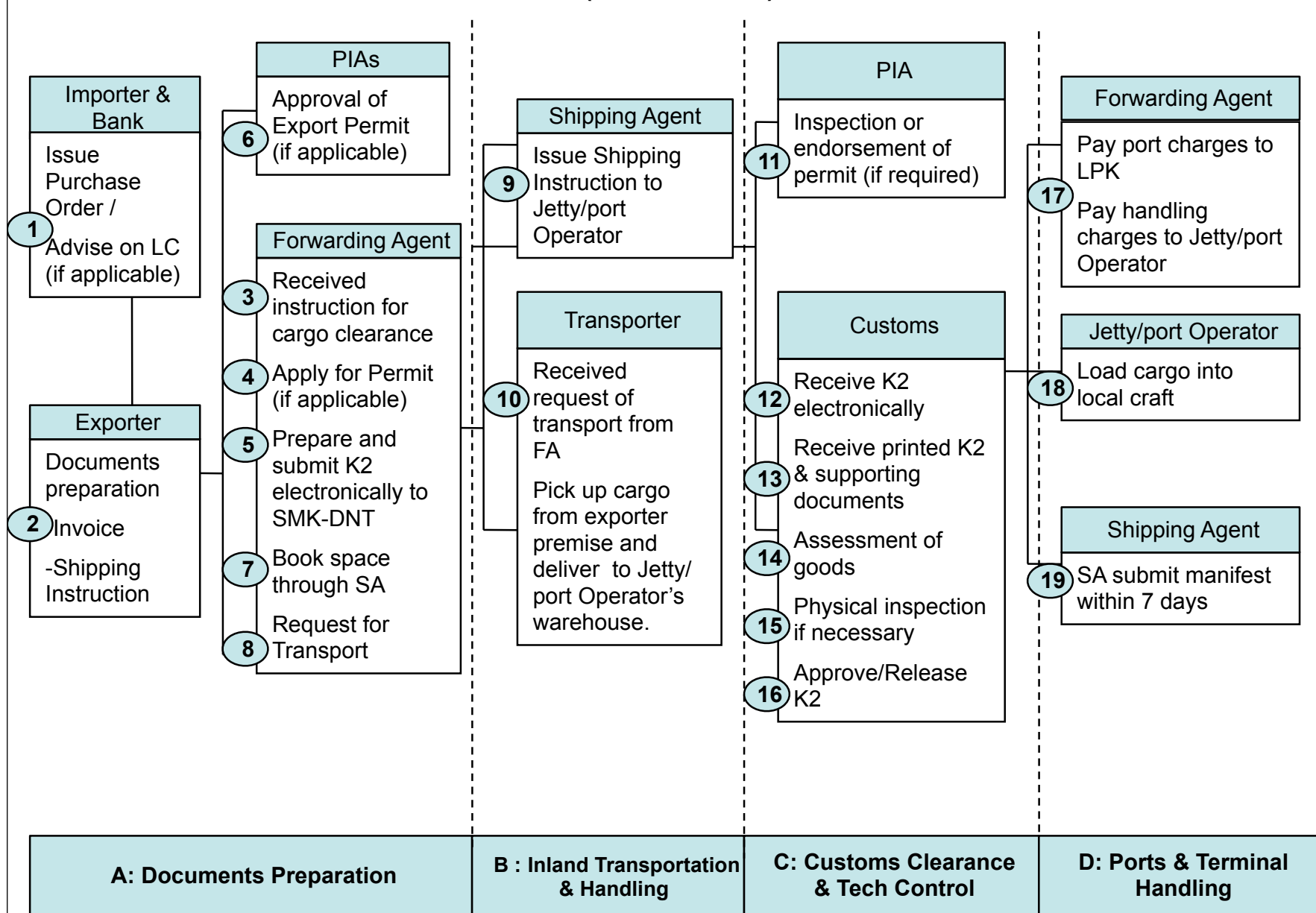
Legend (Export Flow):

- PIAs – Permit Issuing Authorities
- K2 Form – Customs declaration form for export
- IED – Integrated Export Document
- * EFT – * Electronic Fund Transfer (applicable to only 8 banks)

*Participating banks: 1-8

1. Maybank;
2. CIMB Bank;
3. PBB;
4. RHB Bank;
5. EON Bank;
6. Alliance Bank;
7. Affinbank; and
8. Ambank.

EXPORT FLOW FOR BARTER TRADE (PORT KLANG)



No	Process Flow	Document	Process Time	Cost
1	Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)	Purchase Order Letter of Credit	2 Working Days (LC Advise)	No cost
2	Exporter prepares commercial invoice (after the order is confirmed)	Invoice	1 Day (Document Preparation) Overall – 2 days	No cost
3	Forwarding Agent receives instruction from exporter for cargo clearance	Shipping instruction	Within 1 day	No cost
4	Forwarding Agent applies for Export Permit from PIA (if applicable) •Export Permit can be done in advance	Invoice	Within 1 day	RM30 per shipment
5	Forwarding Agent prepare K2 Form and submit to Customs through SMK-DNT Net interface.	Invoice	2 days	RM30 per permit (FAMA) and RM35 (EDI charges)
6	PIA approves export permit (if applicable)	Export permit	2 days	RM35 (EDI charges)

} **A**

No	Process Flow	Document	Process Time	Cost
7	Forwarding Agent books space through Shipping Agent	Loading Instruction	*	No cost
8	Forwarding Agent submits request of transport to transport company			No cost
9	Shipping Agent issues shipping instruction to Jetty/port Operator	Shipping instruction		No cost
10	Transport company receives request of transport from Forwarding Agent Transport company picks up cargo from Exporter's premise and delivers to Jetty/port Operator's warehouse			An average for 10 ton: Rm8/km
11	The relevant Government Agency will carry out cargo inspection or endorsement of the export permit if required	Export Permit		No cost
12	Customs computer system automatically processes & registers K2 and sends response back to forwarding agent with registration number	-		No cost
13	Customs receives Form K2, invoice and export permit (if applicable) for Customs clearance.	K2 Invoice Export Permit		No cost

* 7-13 activities : Within 1 day

No	Process Flow	Document	Process Time	Cost
14	Assessment of goods by Senior Customs Officer which includes the following processes : a) Verification of particulars declared against supporting documents; b) Instruction for physical inspection if necessary; c) Classification/Valuation.	K2 Invoice Export Permit	5-20 mins	No cost
15	Physical inspection if necessary will be carried out in Jetty/port Operator's warehouse by Customs officer and in the presence of Forwarding Agent.	K2 Invoice	30 mins	No cost
16	Senior Customs Officer grants approval/release to the K2 in SMK and hardcopy.	K2 hardcopy K2 SMK	2 – 5 mins	No cost
17	Forwarding Agent pays port charges to LPK and handling charges to Jetty/port Operator	K2 Monthly bill	1 min.	Port Charges : RM 2.00/ tonnes
18	Jetty/port operator verifies processed K2 and after tallying proceed to load cargo onto the local craft.	K2 Tender Ships	45 minutes to 1 hour per container	No cost
19	Shipping agent submits export manifest manually to Customs within 7 days after local craft departure.	Manifest	8 hours	No cost

C

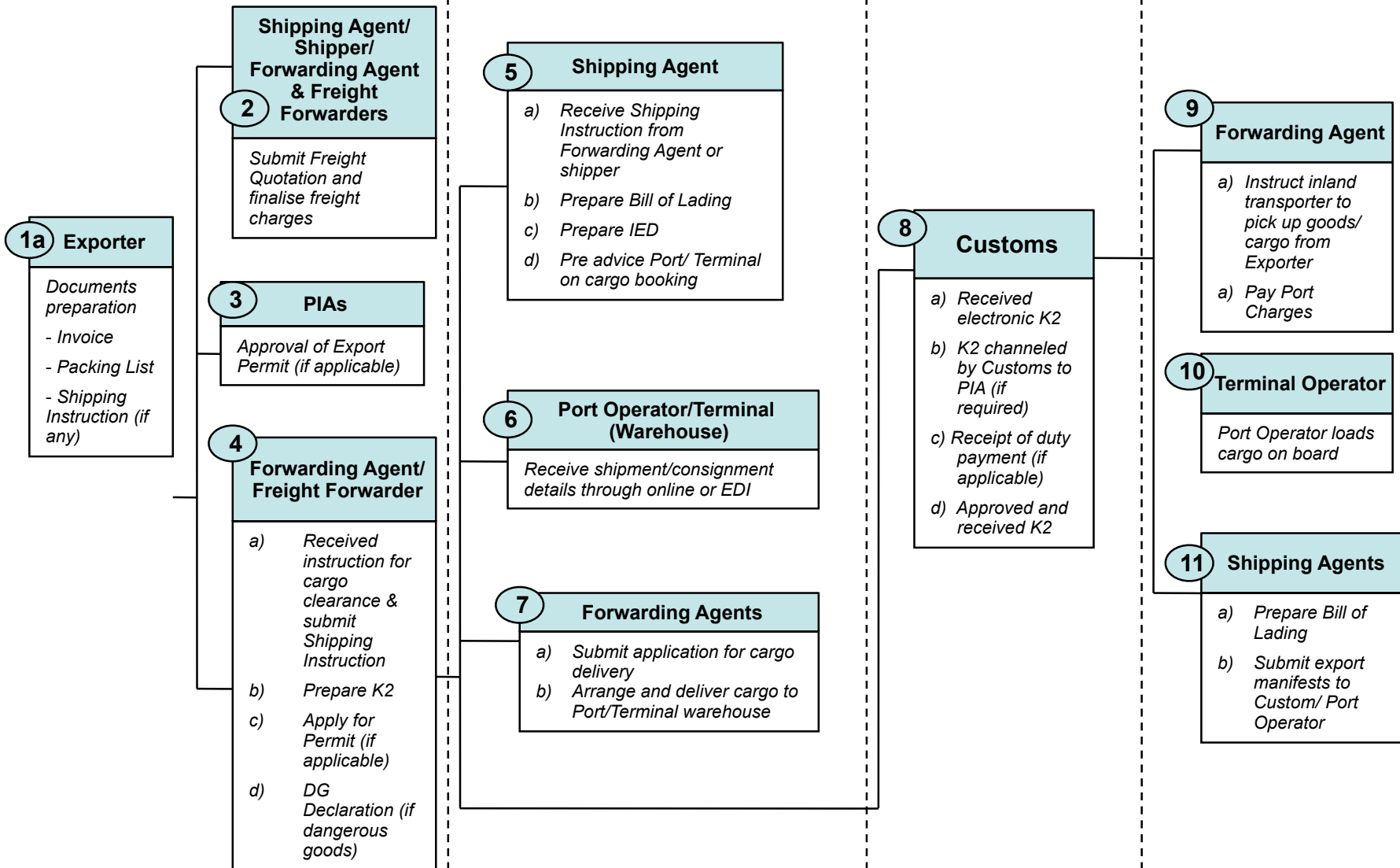
D

Legend (Export Flow):

1. SA – Shipping Agent
2. FA – Forwarding Agent
3. LC – Letter of Credit
4. PIA – Permit Issuing Agencies

EXPORT FLOW FOR DRY BULK CARGO - (PORT KLANG)

Attachment 2b



A: Documents Preparation

B: Inland Transportation & Handling

C: Customs Clearance & Tech Control

D: Ports & Terminal Handling

No	Process Flow	Document	Process Time	Cost
1a	<p>Exporter prepares commercial Invoice, Packing List & Shipping Instruction (after the order is confirmed)</p> <p><i>* Shipping booking can be done in advance</i></p> <p><i>* Shipping Instruction when all details are available</i></p>	<p>-Invoice</p> <p>-Packing List</p> <p>-Shipping instruction</p>	<p>1 day (document preparation)</p> <p>Overall – 2 days</p>	No cost
2	<p>Submit Freight Quotation under commercial rate and finalise freight charges with shipper.</p> <p>- Receipts and accept booking from shipper</p> <p>- Provide shipper with booking confirmation</p> <p><i>* Freight Quotation and freight charges can be done in advance</i></p>	<p>-Freight Quotation</p> <p>-Shipping Instruction</p>	1 day (pre-arrival arrangement)	No cost
3	PIA approves Export Permit (if applicable)	-Export Permit	1- 5 working days (details as attachment)	PIAs own cost
4	<p>a) Forwarding Agent receipts instruction for cargo clearance in accordance to Shipping Instruction</p> <p>b) Prepare K2 Form</p> <p>c) Apply for Export Permit from PIA (if applicable)</p> <p>d) DG Declaration (if applicable)</p> <p><i>* Export Permit can be done in advance (pre-arrival arrangement)</i></p>	<p>-Shipping Instruction</p> <p>-K2</p> <p>-Export Permit</p> <p>-DG Declaration</p>	<p>Overall – 2 days</p> <p>1 hour</p>	<p>EDI charges: RM30</p> <p>RM5 per DG declaration</p> <p>RM1 per metric tonnes (negotiable)</p>



No	Process Flow	Document	Process Time	Cost
5	Shipping Agent a) Receipts Shipping Instruction from forwarding agent b) Shipping Agents Prepare shipping note c) Pre-advise Port/Terminal on cargo booking	-Shipping Instruction	1 hour	RM110 – RM130 per Bill of Lading
6	Port Operator receives shipment/consignment details as export pre-advise through online or EDI	-Export pre-advise details	5 min	No cost
7	Forwarding Agent a) Submit application for cargo delivery b) Arrange and deliver cargo to Port/Terminal warehouse	-IED	1 hour	No cost

} B

No	Process Flow	Document	Process Time	Cost
8	a) Customs receipts electronic K2 declaration (paperless transactions only)	-K2 -Export Permit	2 – 5 min	No cost
	b) Endorsement of permit by PIA			No cost
	c) Payment of duty (if applicable), either by Electronic Fund Transfer (EFT) or manual	-Bank Draft -Cheque	2 – 5 min (10 – 15 min)	EFT charges : RM 15.00 per B/L No cost
	d) Approved/released K2.	-K2		
9	Forwarding Agent :	-IED		
	Arrange inland transporters to: a) Pick up goods/cargo from Exporter a) Forwarding agent to pay Port Charges	-Load List	30 minutes	As per tariff
10	Port Operator loads cargo onboard	-IED -Load list		As per tariff
11	a) Shipping agent prepare and issue Bill of Lading	-e-manifest	10 minutes	RM30 per B/L
	b) Shipping Agent send electronic export manifest (e-manifest) to Customs and Port Operator			

} **C**

} **D**

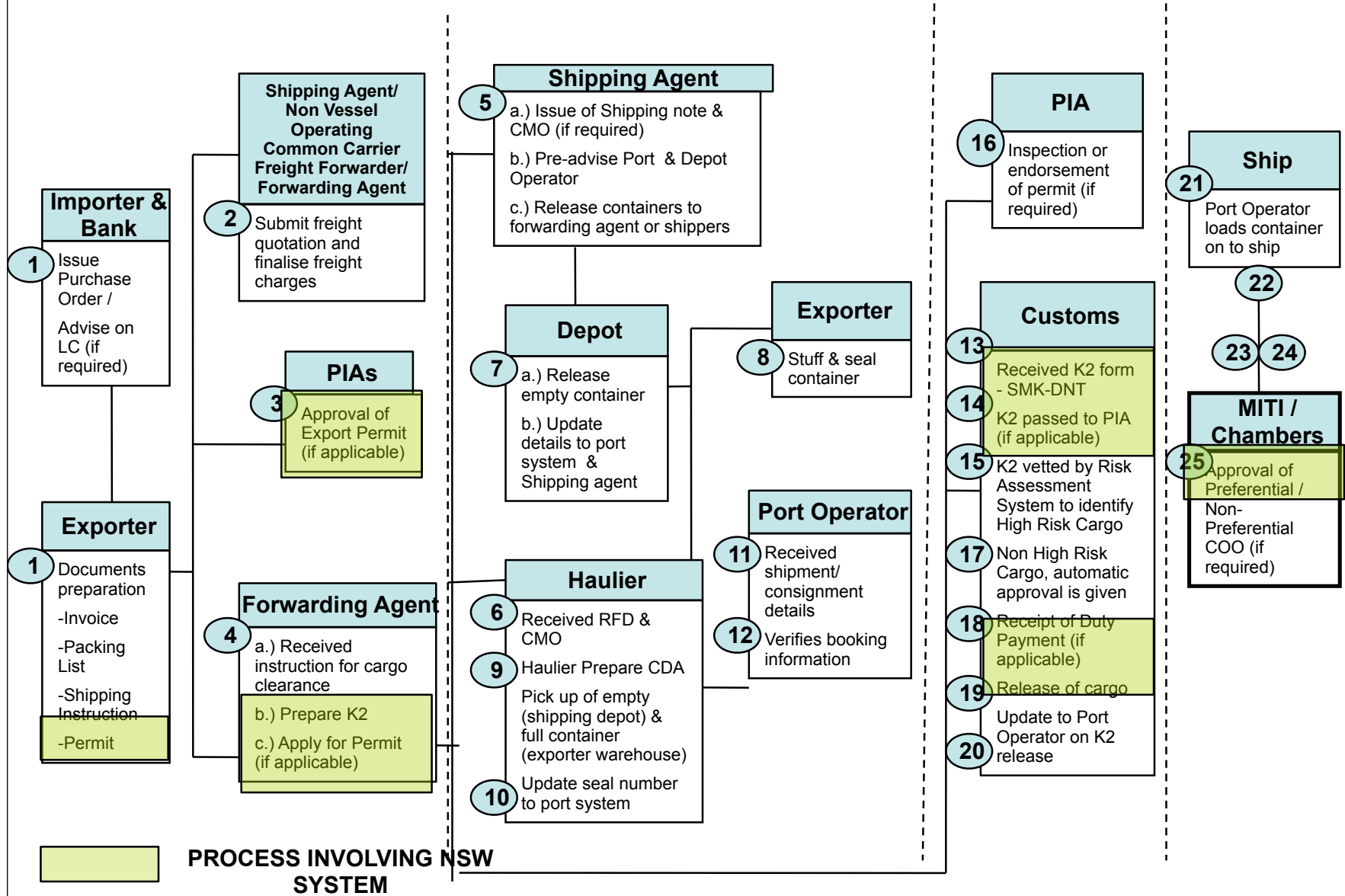
Legend (Export Flow):

- PIAs – Permit Issuing Authorities
- K2 Form – Customs declaration form for export
- IED – Integrated Export Document
- * EFT – * Electronic Fund Transfer (applicable to only 8 banks)

*Participating banks: 1-8

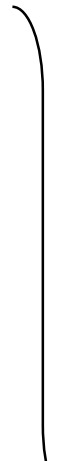
1. Maybank;
2. CIMB Bank;
3. Public Bank Berhad;
4. RHB Bank;
5. EON Bank;
6. Alliance Bank;
7. Affinbank; and
8. Ambank.

II. EXPORT FLOW FOR FULL CONTAINER LOAD (PORT KLANG)

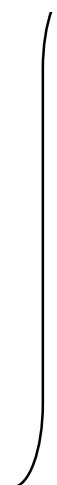


A: Documents Preparation	B: Inland Transportation & Handling	C: Customs Clearance & Tech Control	D: Ports & Terminal Handling
--------------------------	-------------------------------------	-------------------------------------	------------------------------

No	Process Flow	Document	Process Time	Cost
1	<p>Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)</p> <p>Exporter prepares commercial invoice, packing list & shipping instruction (after the order is confirmed)</p> <p><i>*Shipping booking can be done in advance</i></p> <p><i>*Shipping instruction when all details are available</i></p>	<p>Purchase Order</p> <p>Letter of Credit</p> <p>Invoice</p> <p>Packing list</p> <p>Shipping instruction</p>	<p>2 Working Days (LC Advise)</p> <p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	
2	<p>Submit freight quotation and finalise freight charges with shipper.</p> <ul style="list-style-type: none"> - Receive and accept booking from shipper. - Provide shipper with booking confirmation. <p><i>*Freight quotation and frieght charges can be done in advance</i></p>	<p>Freight Quotation</p> <p>Shipping instruction</p>	<p>1 Day</p>	
3	<p>PIA approves export permit (if applicable)</p>	<p>Export permit</p>		<p>No cost</p>
4	<ul style="list-style-type: none"> a.) Exporter books container with shipping agent through forwarding agent b.) Prepare K2 Form c.) Apply for Export Permit from PIA (if applicable) <p><i>* Export Permit can be done in advance</i></p>	<p>Export permit</p>	<p>Overall – 2 days</p>	



A



2
4

No	Process Flow	Document	Process Time	Cost
5	<p>a.) Shipping agent sends Container Movement Order (CMO) to Forwarding Agent,</p> <p>b.) Booking pre-advise is sent to port operator and depot operator</p> <p>c.) Release containers (depot location, size/type and volume) to forwarding agents and shippers.</p>	CMO	<p>2 hours</p> <p>(Documentation subject to office hours. Operation is 24 hrs)</p>	
6	Forwarding agent prepares Request For Delivery (RFD) and submits it to haulier/transport company together with CMO (24 to 48 hours before pick up date for haulier to plan). Depots release empty container to haulier.	RFD CMO	<p>24 hours</p> <p><i>(Subject to normal Office hours if other circumstances, 3 days)</i></p>	
7	<p>a.) Haulier picks up empty container & delivers it to exporter's premises</p> <p>b.) Depot updates container number to booking in Port system and shipping agent.</p>	nil	<p>24 hours</p> <p><i>(Subject to normal Office hours if other circumstances, 3 days)</i></p>	
8	Exporter stuffs the container, seals and informs haulier to pick up the container	nil	1 day	

B

No	Process Flow	Document	Process Time	Cost
9	Haulier picks up stuffed container and delivers it to port Haulier prepare Container Dispatch Advice (CDA) Form	CDA Form	24 hrs	
10	Update seal number to port system	nil	Overall under 24 hrs	
11	Port Operator receive shipment/consignment details as export pre-advise through online or EDI	nil	1 mins	
12	Port operator verifies the container details and accepts container at gate. The container is stacked in the container yard based on declared export vessel	Export pre-advise details	5 mins	

}

B

}

No	Process Flow	Document	Process Time	Cost
13	FA submits electronic K2 form (through SMK-DNT), (it takes around 1 hour to prepare a K2 for 10 items, transmit and receive customs response with registration number)	K2 form	1 hr	
14	K2 is channeled by Customs to PIAs if required Inspection or endorsement of permit by PIA (if applicable)		8 hrs (if inspection required)	
15	K2 declaration is electronically processed by Customs after approval is given by PIA			
16	K2 declaration is vetted by Risk Assessment System and 'High Risk' Cargo will be identified for control procedure (documentary check, inspection by scanning or physical inspection)			
17	For non-high risk cargo, automatic approval is given			
18	Payment of duty, where applicable is received electronically			

C

No	Process Flow	Document	Process Time	Cost
19	Release is given automatically after full payment of Duty is received by Customs			
20	K2 release information is transmitted to Port Operator by Customs		Note: Total time for C – 1 day average – Customs (10-15 minutes)	
21	Port operator receive electronic release for release of container from GCS/SMK or Port system release based on hard-copy K2 (if, necessary)	GCS Release K2 Document	30 mins	
22	Shipping agent sends export manifest to Custom (within 7 days after vessel departure) and received by Customs	Manifest	5 days	

)
C
)
D
)

No	Process Flow	Document	Process Time	Cost
23	Shipping agent advises shipping & freight charges to shipper and/or forwarding agents	Freight Invoice		
24	Forwarding agent pays shipping & freight charges on behalf of exporter & collect B/L to include Shipper /Forwarding agents	Bill of Lading		
25	<p>Exporter applies for Certificate of Origin if applicable:</p> <p>I)preferential (e.g. CEPT) from MITI</p> <p>II)non-preferential from Chamber of Commerce</p>	<p>Certificate of Origin</p> <p>- Invoice / PL / BL/ K2 required when applying for CO</p>		

D

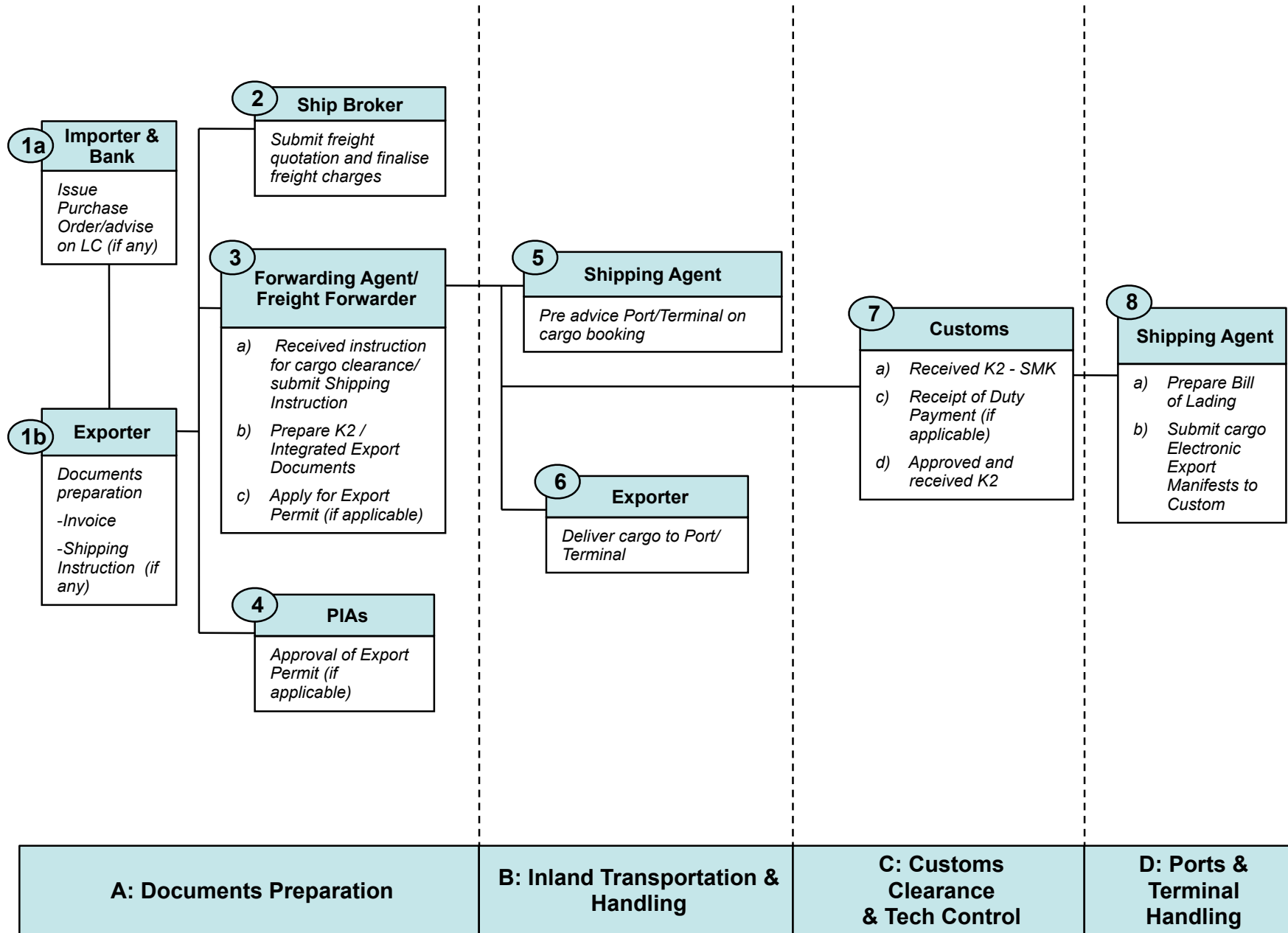
*** Time taken for processes 22 to 25 are not measured as only internal processes once ship has departed**

Legend (Export and Import Flow):

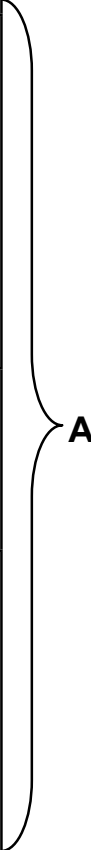
- PIAs - Permit Issuing Authorities
- CMO- Container Movement Order
- RFD- Request For Delivery
- K2 Form- Customs declaration form for export
- K1 Form- Customs declaration form for import
- DNT- Dagang Net Technologies (e-service provider)
- SMK-DNT- Electronic data interchange system used by Customs for export declaration
- CEPT- Common Effective Preferential Tariff
- FMM- Federation of Malaysian Manufacturers

EXPORT FLOW FOR LIQUID BULK CARGO - (PORT KLANG)

Attachment 1



No	Process Flow	Document	Process Time	Cost
1a	<p>Exporter prepares commercial Invoice, Shipping Instruction (after the order is confirmed and financial arrangement is completed)</p> <p><i>* Shipping booking can be done in advance.</i></p> <p><i>* Shipping Instruction when all details are available.</i></p>	<p>-Invoice</p> <p>-Shipping Instruction</p>	<p>1 day (document preparation)</p> <p>Overall – 2 days</p>	No cost
2	Ship Broker submit Freight quotation and finalise freight charges pre-arrange with Exporter.	<p>-Letter of Offer</p> <p>-Contract of Freightment</p>	Pre-arrangement	No cost
3	<p>a) Forwarding Agent receipts instruction for cargo clearance in accordance to Shipping Instruction.</p> <p>b) Prepare K2 and Integrated Export Document (IED).</p> <p>c) Apply for Export Permit from PIA (if applicable).</p> <p><i>* Export Permit can be done in advance.</i></p>	<p>-K2</p> <p>-IED</p> <p>-Export Permit</p>	Overall – 1 days	Forwarding charges: RM300 – RM600 per consignment (negotiable)
4	<p>PIAs approves Export Permit (if applicable).</p> <p><i>*usually (blanket approval) pre-approval applicable for 1 – 2 years)</i></p>	-Export Permit	1- 3 working days (details as attachment)	PIAs own cost



No	Process Flow	Document	Process Time	Cost
5	Shipping Agent pre-advice Port/Terminal on cargo booking.	-Notice of Arrival	Pre-arrangement	No cost
6	Delivery by Exporter to Port/Terminal.	-Delivery Order	Pre-arrangement	Exporter cost
7	a) Customs receipts online K2 declaration and supporting documents from Forwarding Agent (if required). Supporting documents: Invoice, IED and Surveyor Quantity Report (applicable to parallel transactions only – not applicable in paperless).	-K2 -Invoice, -IED -Export Permit -Surveyor Quantity Report	2 - 5 min	No cost
	b) Payment of duty (if applicable), either by Electronic Fund Transfer (EFT) or manual.			RM15 per BL
	c) Approved and receipts K2. K2 release information is transmitted to Port Operator by Customs.	-Bank draft -Cheque -K2	Average 1 day total time (10 – 15 min.)	No cost
8	a) Shipping Agent prepare Bill of Lading (BL).	-BL		RM110 per BL
	b) Shipping Agent send Electronic Export Manifest to Custom.	-e-Manifest	1 hour	EDI charges: RM30 per BL

} **B**

C

D

3

Legend (Import Flow):

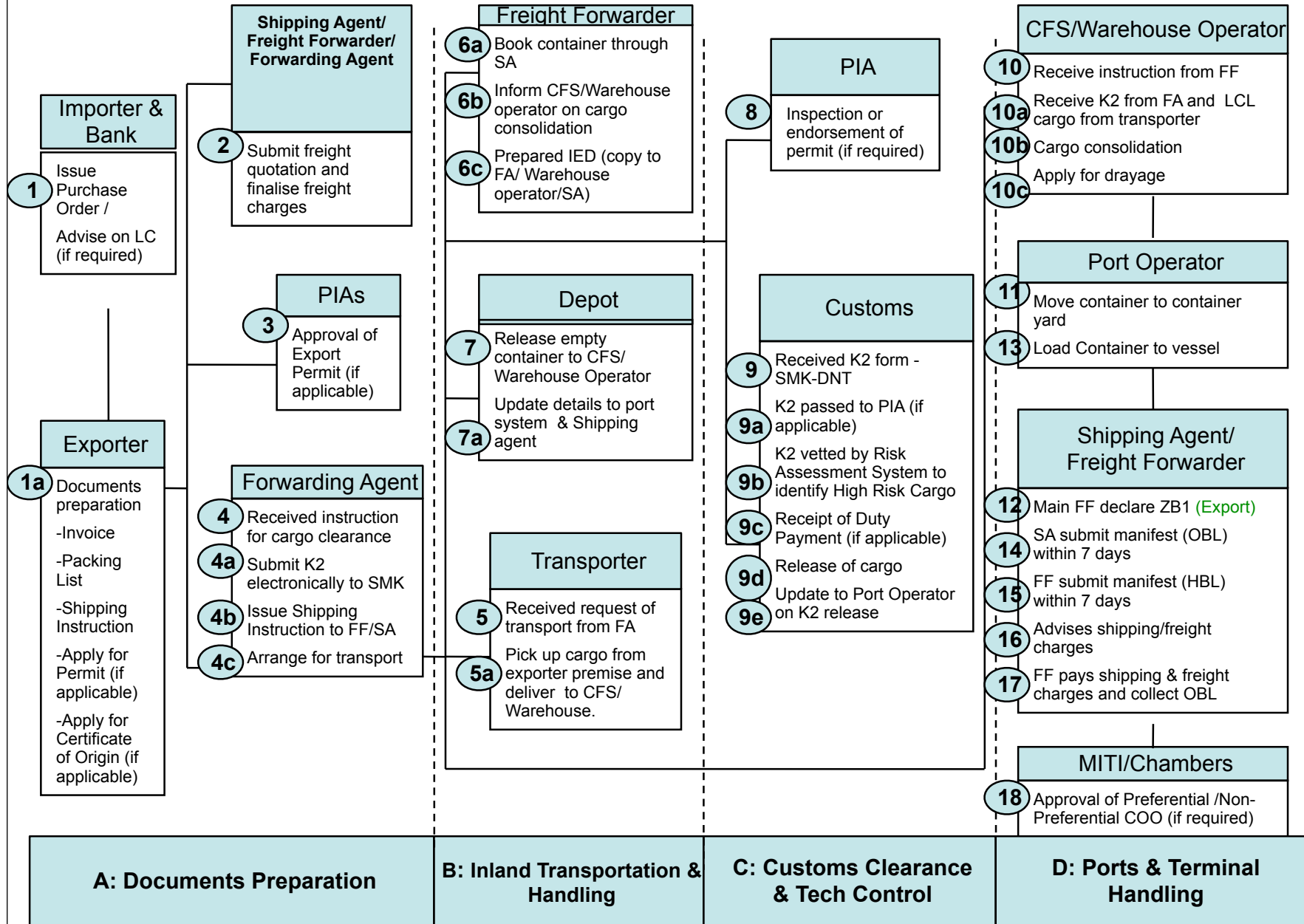
- PIAs – Permit Issuing Authorities
- K2 – Customs declaration form for export
- IED – Integrated Export Document
- * EFT – * Electronic Fund Transfer (applicable to only 8 banks)

*Participating banks: 1-8

1. Maybank;
2. CIMB Bank;
3. Public Bank Berhad;
4. RHB Bank;
5. EON Bank;
6. Alliance Bank;
7. Affinbank; and
8. Ambank.

EXPORT FLOW FOR LCL CARGO (PORT KLANG) console cargo

Attachment 1A



No	Process Flow	Document	Process Time	Cost
1	Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)	- Purchase Order - Letter of Credit	2 Working Days (LC Advise)	
1a	<p>Exporter prepares commercial invoice, packing list & shipping instruction (after the order is confirmed)</p> <p>-Shipping booking can be done in advance</p> <p>-Shipping instruction when all details are available</p> <p>- Apply for Export Permit from PIA (if applicable) – can be done in advance.</p> <p>- Exporter applies for Certificate of Origin if applicable:</p> <p>i. preferential (e.g. CEPT) from MITI</p> <p>ii. non-preferential from Chamber of Commerce</p>	<p>- Invoice</p> <p>- Packing list</p> <p>- Shipping instruction</p> <p>- Export Permit</p> <p>- COO</p> <p>- Invoice / PL / BL/ K2 required when applying for COO</p>	<p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	
2	<p>Submit freight quotation and finalise freight charges with shipper.</p> <p>- Receive and accept booking from shipper.</p> <p>- Provide shipper with booking confirmation.</p> <p><i>*Freight quotation and frieght charges can be done in advance</i></p>	<p>Freight Quotation</p> <p>Shipping instruction</p>	1 Day	

A

No	Process Flow	Document	Process Time	Cost
4	Forwarding agent receives instruction from exporter for cargo clearance	Export permit	Overall – 2 days	No cost
4a.	Prepare K2 Form and submit to Customs through SMK-DNT Net interface	Invoice Packing list	Response Time : 5- 20 min	EDI charges: RM 0.88 per KB RM30
4b.	Issue shipping instruction to Freight Forwarder or Shipping Agent		20 min	
4c.	Forwarding Agent arranges for transport by submitting request of transport to transport company		10 min	
5	Freight Forwarder books container through Shipping Agent		5 min	
5a.	Freight Forwarder informs CFS/Warehouse operator on cargo consolidation		10 min	
5b.	Freight Forwarder prepares IED with copy to Forwarding Agent, CFS/Warehouse operator and Shipping Agent (4 copy of IED)		20 min	
6	Transport company receives request of transport from Forwarding Agent		10 min	
6a.	Lorry driver picks up cargo from Exporter's premise and delivers to designated CFS/Warehouse.		4 hours	

} **A**

} **B**

No	Process Flow	Document	Process Time	Cost
6b.	F.F Inform CFS/Warehouse operator on cargo consolidation			
6c.	F.F Prepared IED (copy to FA/ Warehouse operator/ SA)			
7	Haulier picks up empty container from Depot & delivers it to CFS/Warehouse		2 hours	
7a	Depot updates container number to booking in Port system and shipping agent.		10 min	
8	The relevant government agency will carry out cargo inspection or endorsement of the export permit if required.	K2 Export Permit	8 hrs (if inspection required)	
9	Customs receives printed K2 declaration and supporting documents from Forwarding Agent. Supporting documents : invoice, packing list and IED. (Applicable to parallel transactions only – not applicable in Paperless)	K2 Invoice, Packing List IED Export Permit	2-5 min	No Cost
9a.	K2 is channeled by Customs to PIAs if required. Inspection or endorsement of permit by PIA (if applicable)	K2 Export Permit	2 – 5 min	No cost

C

No	Process Flow	Document	Process Time	Cost
9b.	K2 declaration is vetted by Risk Assessment System and 'High Risk' Cargo will be identified for control procedure (documentary check, inspection by scanning or physical inspection)	K2	Electronic : Nil Manual : 5 min	No Cost
9c.	Payment of duty or cess, where applicable , either by Electronic Fund Transfer or manual	K2 Bank draft Cheque	EFT : 20- 60 min	EFT charges : RM 8.00 per transaction
9d.	Approval/Release is given automatically after full payment of Duty is received by Customs	K2 COR (Paperless)	2-5 min	No Cost
9e.	K2 release information is transmitted to Port Operator by Customs	-	30 min	No Cost
10	CFS/Warehouse Operator receives instruction from Forwarding Agent on consolidation of LCL cargo		10 min	
10a.	Receive processed K2 from Forwarding Agent and LCL cargo from lorry driver.		2 hours	
10b.	Consolidate cargo and stuff into container.		2 hours	
10c.	Apply for drayage	Drayage Request Form	5 min	
11	Port operator makes arrangement to move container from CFS/Warehouse to container yard		30 min	
12	Main Freight Forwarder declares ZB1 to Free Zone Authority (ZB1 submitted electronically, paperless)	ZB1 (export)		

D

No	Process Flow	Document	Process Time	Cost
13	Port Operator loads container to vessel	Load list	10 min	
14	Shipping agent submits export manifest (OBL) electronically to Customs within 7 days after vessel departure.	Manifest	5 min	
15	Freight Forwarder submits export manifest (HBL) electronically to Customs within 7 days after vessel departure.	Manifest	5 min	
16	Freight forwarder advises shipping & freight charges to shipper and/or forwarding agents	Freight Invoice	10 min	
17	Freight forwarders pays shipping & freight charges and collect OBL. Freight forwarders will issue their HBL to exporters or Forwarding Agent	Bill of Lading	10 min	
18	Approval of Preferential /Non- Preferential COO (if required)	Certificate of Origin	30 min	

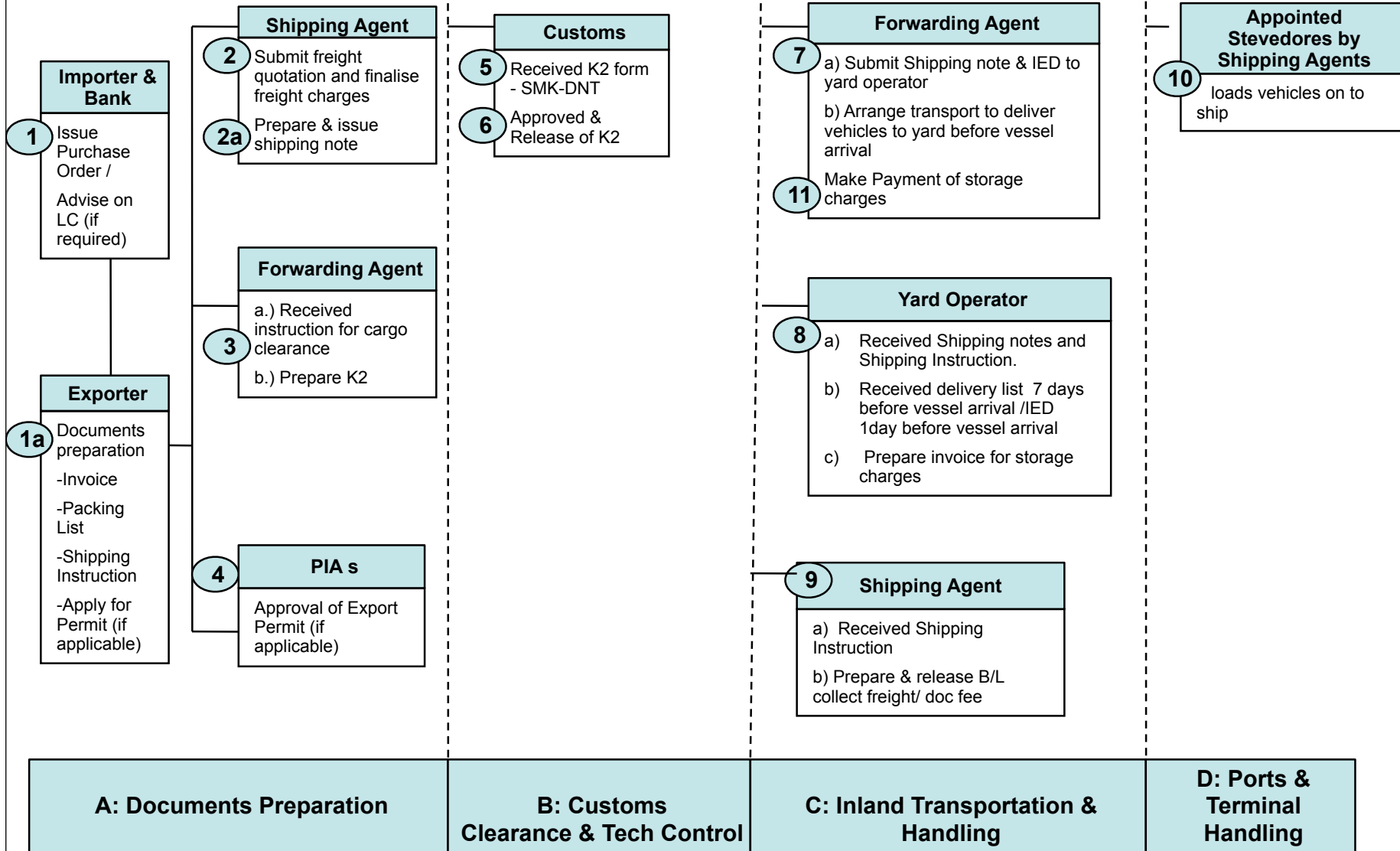
} **D**

*** Time taken for processes 14 to 18 are not measured as only internal processes once ship has departed**

Legend (Export Flow):

1. LCL- Lesser than Container Load
2. LC – Letter of Credit
3. PIA – Permit Issuing Agencies
4. SA – Shipping Agent
5. FF – Freight Forwarder
6. CFS – Container Freight Station
7. SMK – Sistem Maklumat Kastam
8. OBL – Ocean Bill of Lading
9. HBL – House Bill of Lading
10. COO – Certificate of Origin
11. IED – Integrated Export Document

EXPORT FLOW RO-RO (PORT KLANG)



No	Process Flow	Document	Process Time	Cost
1	Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)	Purchase Order	2 Working Days (LC Advise)	
1a	<p>Exporter prepares commercial invoice, packing list & shipping instruction (after the order is confirmed)</p> <p><i>*Shipping booking can be done in advance</i></p> <p><i>*Shipping instruction when all details are available</i></p> <p>Apply for Export Permit from PIA (if applicable)</p> <p><i>* Export Permit can be done in advance</i></p>	<p>Letter of Credit</p> <p>Invoice</p> <p>Packing list</p> <p>Shipping instruction</p>	<p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	
2.	<p>SA Submit freight quotation and finalize freight charges with shipper.</p> <ul style="list-style-type: none"> - Receive and accept booking from shipper. - Provide shipper with booking confirmation. <p><i>*Freight quotation and freight charges can be done in advance</i></p> <p>SA Prepares and issue shipping note</p>	<p>Freight Quotation</p> <p>Shipping instruction</p>		
2a.		Shipping note	30 min	
3	<p>a.) Exporter books container with shipping agent through forwarding agent</p> <p>b.) Prepare K2 Form</p>	Export permit	Overall – 2 days	
4	PIA approves export permit (if applicable)	Export		

A

No	Process Flow	Document	Process Time	Cost
5	FA submits electronic K2 form (through SMK-DNT), (it takes around 1 hour to prepare a K2 for 10 items, transmit and receive customs response with registration number)	K2 form	30 min – 1 hour	0.88/kb
6	Approved and release K2	K2	10 min.	No cost
7	a) FA will submit book note and IED to terminal operator (yard)	-Book note & IED	Depending on number of vehicles	No Cost
	b) FA will arrange transport to deliver vehicles to yard before vessel arrival.	-IED Delivery List	3-5 days before vessel arrival	Trucking/ Transport tariff
8	a) Terminal Operator (yard) will receive Book Note and Shipping Instructions (S.I.) from FA b) Yard will receive delivery list 7day before vessel arrival and IED 1 day before vessel arrival to prepare cargo to be loaded on board c) Yard operator will prepare invoice for storage charges	-Book Note & S.I. -Delivery list and IED -Invoice for storage	Received 1/2 days before vessel arrival	

)

B

)

)

C

)

No	Process Flow	Document	Process Time	Cost
9	a) SA received shipping instruction b) SA prepare & release BL and collect documentation fee	Bill of Lading	30 mins	MYR110 –B/L MYR30 – EDI fee
10	Port operator loads vehicles on board vessel			
11	FA makes payment of storage charges	Invoice	After vessel sails	Vehicles – MYR8 per unit/day Heavy vehicles- MYR10 per unit/day

} **D** }

Legend (Export and Import Flow):

- PIAs - Permit Issuing Authorities
- IID – Integrated Import Documents
- K2 Form- Customs declaration form for export
- K1 Form- Customs declaration form for import
- DNT- Dagang Net Technologies (e-service provider)
- SMK-DNT- Electronic data interchange system used by Customs for export declaration
- FA – Forwarding Agent
- SA – Shipping Agent

List of Products That Require Import and Export Licenses Under MITI

Issuance of Licenses for Import/Export of Items Listed in the Custom Prohibition of Import/Export Orders Under the Customs Act 1967

Background

The import and the export of goods listed under the Custom Prohibition Act 1967 are controlled:

- To safeguard local manufacturers' interest, health and plant life and the national security of the country.
- To take into consideration Malaysia 's foreign policies.
- To ensure that there should be adequate supply of essential goods.

The following goods under the Act require an Import license by MITI:

1. Raw Sugar.
2. Other Sugar.
3. Wheat Flour.
4. Milk (for tariff code 0401 30 110 and 2202 90 100 only).
5. Activated Clay and Activated Bleaching Earth.
6. Flat-Rolled Products of Iron or Non-Alloy Steel, of a width of 600mm or more, Hot Rolled, Not Clad, Plated or Coated.
7. Flat Rolled Products of Iron or Non-Alloy, of a width of 600mm or more Cold-Rolled. (Cold-Reduced), Not Clad, Plated or Coated.
8. Flat-Rolled Products of Iron or Non-Alloy Steel, of a width of 600mm or more, Clad, Plated or Coated.
9. Flat Rolled Products of Iron or Non-Alloy, of a width of 600mm or more Cold-Rolled (Cold-Reduced), Not Clad, Plated or Coated not further worked than Hot Rolled.
10. Flat-Rolled Products of Iron or Non-Alloy Steel, of a width of less 600mm or more, Not Clad or Coated.
11. Tubes, Pipes and Hollow Profiles of Cast Iron.
12. Tubes, Pipes and Hollow Profiles, Seamless, of Iron (other than Cast Iron) or Steel - Line Pipe of kind used for Oil or Gas Pipelines.
13. Other Tubes and Pipes (ex: Welded, Riveted or Similarly Closed) having Circular Cross-Sections, the external diameter of which exceeds 406.4mm of Iron and Steel.
14. Other Tubes, Pipes and Hollow Profiles (e.g: Open Seam or Welded, Riveted or Similarly loosed) of Iron or Steel.
15. Iron & steel products which has been exempted from Import License but require Certificate of Approval from CIDB (Construction) or SIRIM (Other than Construction).
16. Cable.
17. Vehicle.
18. Motorcycle.

19. Motor Vehicles for the transport of goods (i.e.: Dump Truck & Crawler Carrier).
20. Special purpose motor vehicles, other than those principally designed for the transport of persons or goods excluding fire fighting vehicles (for example breakdown lorries, crane lorries, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units).
21. Ships' derricks; cranes, including cable cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane.
22. Road Tractors for semi-trailers, completely built-up, old (i.e.: Prime Mover).
23. Plastic Waste (Waste, Paring and Scrap of Plastics).
24. Used Tyre.
25. Toxic Chemicals and their precursors covered under the Chemical Weapon Convention (CWC) 2005 (precursors is a substance that precedes and is the source of another substance).
26. Photocopy Machine (Black and White).
27. Photocopy Machine (Colour).
28. Multifunction Printer.
29. Toner.
30. Optical disc mastering and replicating.
31. Medicine Making Machine.
32. Safety helmets except as worn by motorcyclist or motorcycle pillion riders.
33. Activated Clay and Activated Bleaching Earth.

The following goods under the Act require an Export license from MITI:

1. Refined Sugar.
2. Other Sugar.
3. Milk and Milk Product (Milk & cream, Buttermilk, yogurt, Whey, Butter & other fats/oils, from milk, Cheese & curd, Malt extract, preparation of milk for infant, condensed sweetened/ unsweetened milk).
4. Cement clinker.
5. Portland cement.
6. Naptha.
7. Roofing tiles.
8. Bricks.
9. Wire Rods.
10. Steel Bar.
11. Other Bars Free Cutting Steel.
12. Bars and Rods, Hot- Rolled, in irregularly, Wound Coils, Of other Alloy Steel.
13. Rods of Alloy Steel; Angles, Shapes and Sections of Other Alloy Steel; Hollow Drill Bars and Rods Of Alloy or Non- Alloy Steel.
14. Slag, Dross, Scaling & Similar, Waste; iron and steel, zinc.
15. Iron Waste and Scrap.
16. Stainless Steel Waste and Scrap.

17. Copper Waste and Scrap.
18. Nickel Waste And Scrap.
19. Aluminum Waste and Scrap.
20. Lead Waste And Scrap.
21. Zinc Waste And Scrap.
22. Zinc Dust, Powders and Flakes.
23. Pure Tin Ingot.
24. Tin Waste and Scrap.
25. Magnesium Waste and Scrap.
26. Cinematograph film exposed but not developed, of 16 mm or 35 mm.
27. Toxic chemicals and their precursors covered under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction 1993 (CWC).

Application procedures for licence to import/export goods under the Customs Act 1967:

- Completion of form J.K. 69 for import applicants and completion of form Customs No. 2 (Principal Custom Area) or form Customs No. 8 (Licensed Manufacturing Warehouse and Free Trade Zone) for export.
- Forms can be purchased from Percetakan Nasional Malaysia Berhad or any of its branches.

Submission of applications:

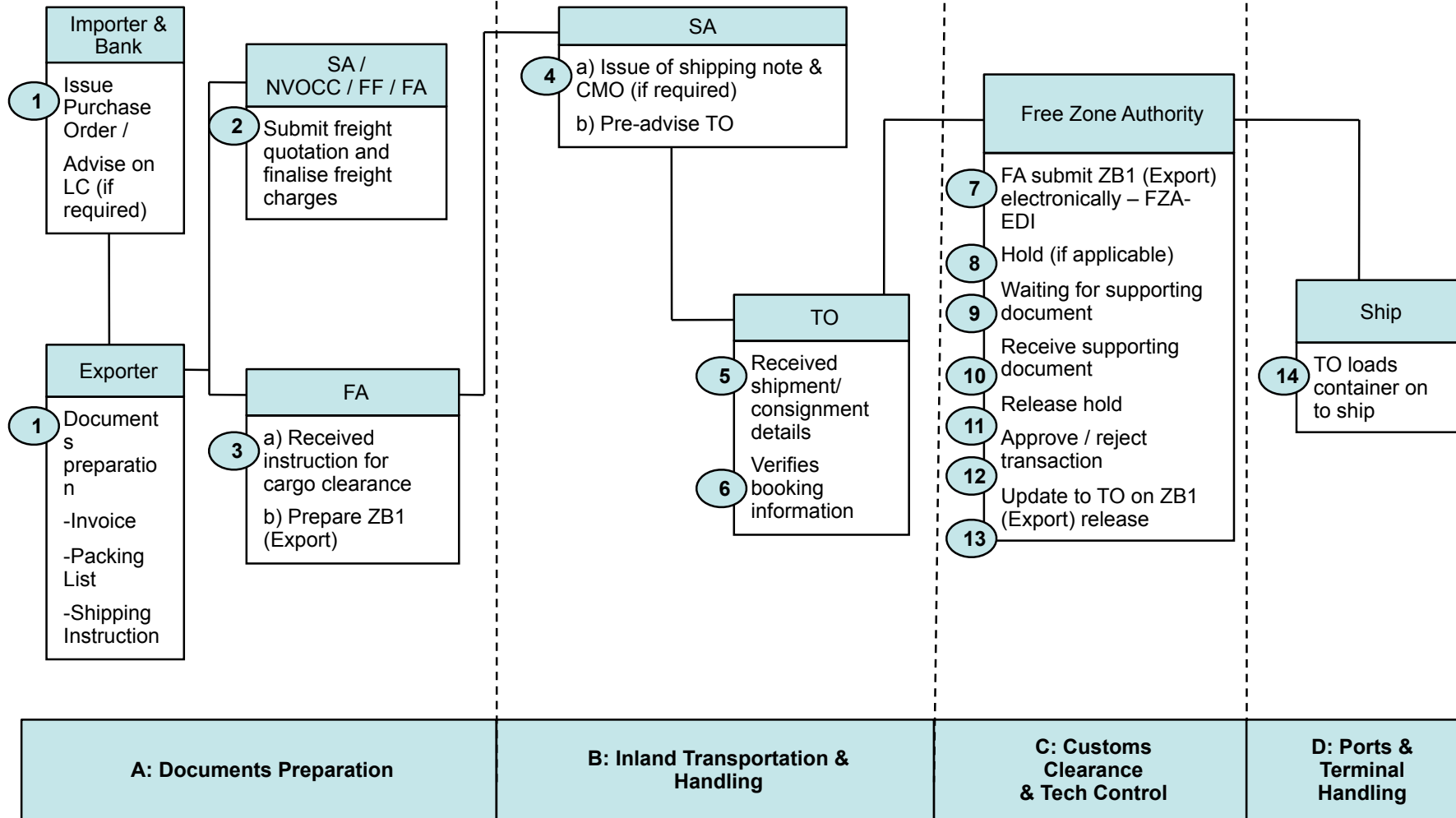
- Completed applications together with relevant supporting documents must be submitted to either MITI Headquarters or any of its branches depending on the type of goods applied for:

Import and Export Control Division,
2nd Floor, Block 10,
Government Offices Complex,
Jalan Duta, 50622 Kuala Lumpur,
Malaysia

Tel: 603-6203 3022 (General Line)

Fax: 603-6201 3012/4806

II. ZB FORM PROCESS FLOW (RE-EXPORT)



No	Process Flow	Document	Process Time	Cost
1	<p>Importer issues purchase order to exporter. LC advise is issued by the bank (for applicable shipments).</p> <p>Exporter prepares commercial invoice, packing list & shipping instruction (after the order is confirmed).</p> <p><i>*Shipping booking can be done in advance.</i></p> <p><i>*Shipping instruction when all details are available.</i></p>	<p>Purchase Order</p> <p>Letter of Credit</p> <p>Invoice Packing list</p> <p>Shipping instruction</p>	<p>2 Working Days (LC Advise)</p> <p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	Input from FMM on cost
2	<p>Submit freight quotation and finalise freight charges with shipper:</p> <ul style="list-style-type: none"> - Receive and accept booking from shipper. - Provide shipper with booking confirmation. <p><i>*Freight quotation and freight charges can be done in advance</i></p>	<p>Freight Quotation</p> <p>Shipping instruction</p>	1 day	No cost
3	<p>a) Exporter books container with SA through FA.</p> <p>b) Prepare ZB1 (Import) Form and followed by ZB2 (Export) Form.</p>	ZB1 (Export)	Overall – 2 days	<p>RM0.88 per kb</p> <p>EDI fee (RM30) - FA</p>

A

No	Process Flow	Document	Process Time	Cost
4	a) SA sends CMO to FA. b) Booking pre-advise is sent to TO.	CMO Manual + Electronic	2 hours	No cost
5	TO receive shipment / consignment details as export pre-advise through online or EDI.	Online	1 minute	No cost
6	Port operator verifies the container details. The container is stacked in the container yard based on declared export vessel.	Export pre-advise details	5 minutes	No cost
7	FA submit electronic ZB1 (Export) from through FZA-EDI system. FZA received ZB1 (Export).	ZB1 (Export) Online	5 – 60 minutes Receiving approx. 30 minutes. Processing in 60 minutes after receiving complete declaration	RM0.88 per kb EDI fee (RM30)- FA

} **B**

No	Process Flow	Document	Process Time	Cost
8	Hold, if supporting document needed.	-	1 minute	No cost
9	FZA waiting for supporting document to be submitted by FA.	-	Up to 48 hour until supporting document submitted	No cost
10	Receive supporting document.	ZB1 (Export) Invoice / Packing List	5 – 10 minutes	No cost
11	FZA release hold on electronic declaration.	-	1 minute	No cost
12	FZA approve / reject declaration.	-	1 minute	No cost
13	A copy of approved ZB1 & ZB2 (Import & Export) transactions electronically send to TO to update information and for release		30 minutes	No cost

B

No	Process Flow	Document	Process Time	Cost
14	TO loads container on to export ship / vessel.	Loading List + Bay Plan	2 minutes	No cost

} C

Legend (Re-Export from Free Commercial Zone Flow):

- LC – Letter of Credit
- SA – Shipping Agent
- NVOCC – Non Vessel Operating Common Carrier
- FF – Freight Forwarders
- FA – Forwarding Agent
- ZB1 (Export) – Free Zone Authority declaration form for export from Free Commercial Zone
- CMO – Container Movement Order
- FZA – Free Zone Authority
- TO – Terminal Operator/Port Operator
- FZA-EDI – Free Zone-EDI System