



ROYAL MALAYSIAN CUSTOMS DEPARTMENT

NATIONAL STRATEGIC TRADE SYMPOSIUM 2018

***“Strategic Goods Controls and
Customs Compliance”***

***MOHD FIRDAUS BIN DAUD
Superintendent of Customs
Royal Malaysian Customs Department
KLIA***

Customs Procedures on Strategic Goods Control



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Outlined

- RMCD Vision & Mission
- RMCD Objectives
- Export Procedures & Controls
- Challenges & Issues

RMCD Vision & Mission



ROYAL MALAYSIAN CUSTOMS DEPARTMENT

Vision

A World Class
Customs
Administration

Mission

Collect revenue and provide trade facilitation through enforcement of and compliance with applicable law to spur economic growth, ***maintain national security*** and public welfare.

RMCD Responsibilities



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CUSTOMS PROCEDURES & CONTROL



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EXPORTATION MODE



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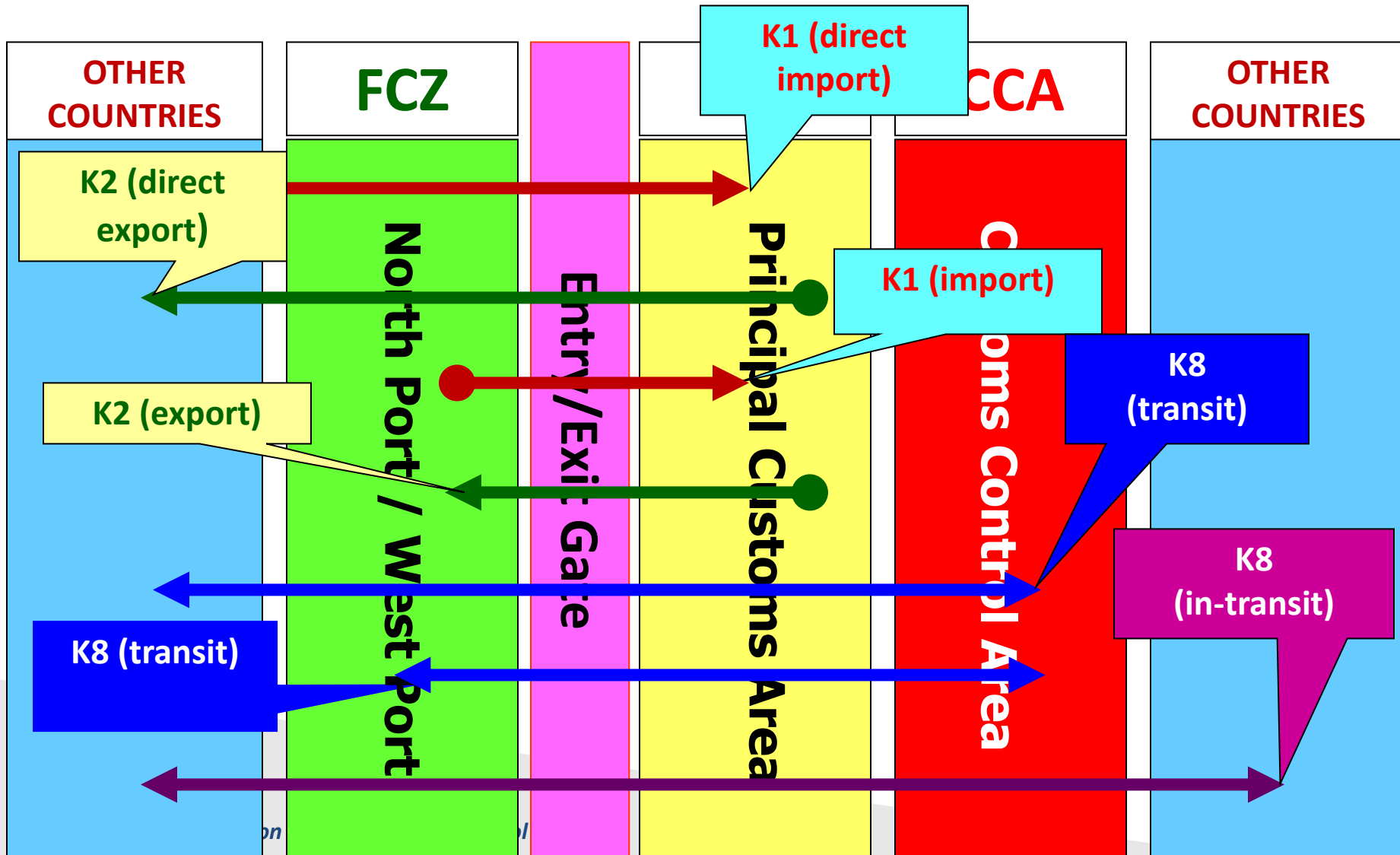
- **1. Air Mode**
 - 1.1 Aircraft**
- **2. Sea Mode (Customs Port/Legal Landing Place (s.33/s.30))**
 - 2.1 Local Craft – junk/tongkang/perahu/kumpit**
 - 2.2 Vessel – More 75 tonnes**
- **3. Road Mode**
 - 3.1 Road**
 - 3.2 Rail**
 - 3.3 Pipeline**
 - 3.4 Postage**
 - 3.5 Pedestrian**



Movement Control by Customs



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CUSTOMS DECLARATIONS



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Form No.	Description
Customs No.2	Declaration of Goods Exported
Customs No.3	Permit to Transport Duty Paid Goods Within The Federation - Movement of goods from Peninsular to Sabah & Sarawak is not control under STA 2010
Customs No.8	Application / Permit / to Move / Transit Duty Unpaid Goods

- ✓ Declarations forms to be complete, transparent and accurate.
- ✓ Declaration can be made by owner or Authorized Customs Broker (S.90 CA)
- ✓ Electronic Declaration via Electronic Data Interchange for registration and agents to receive response for duty payment.
- ✓ Electronic Declaration since 1996.

SUPPORTING DOCUMENTS



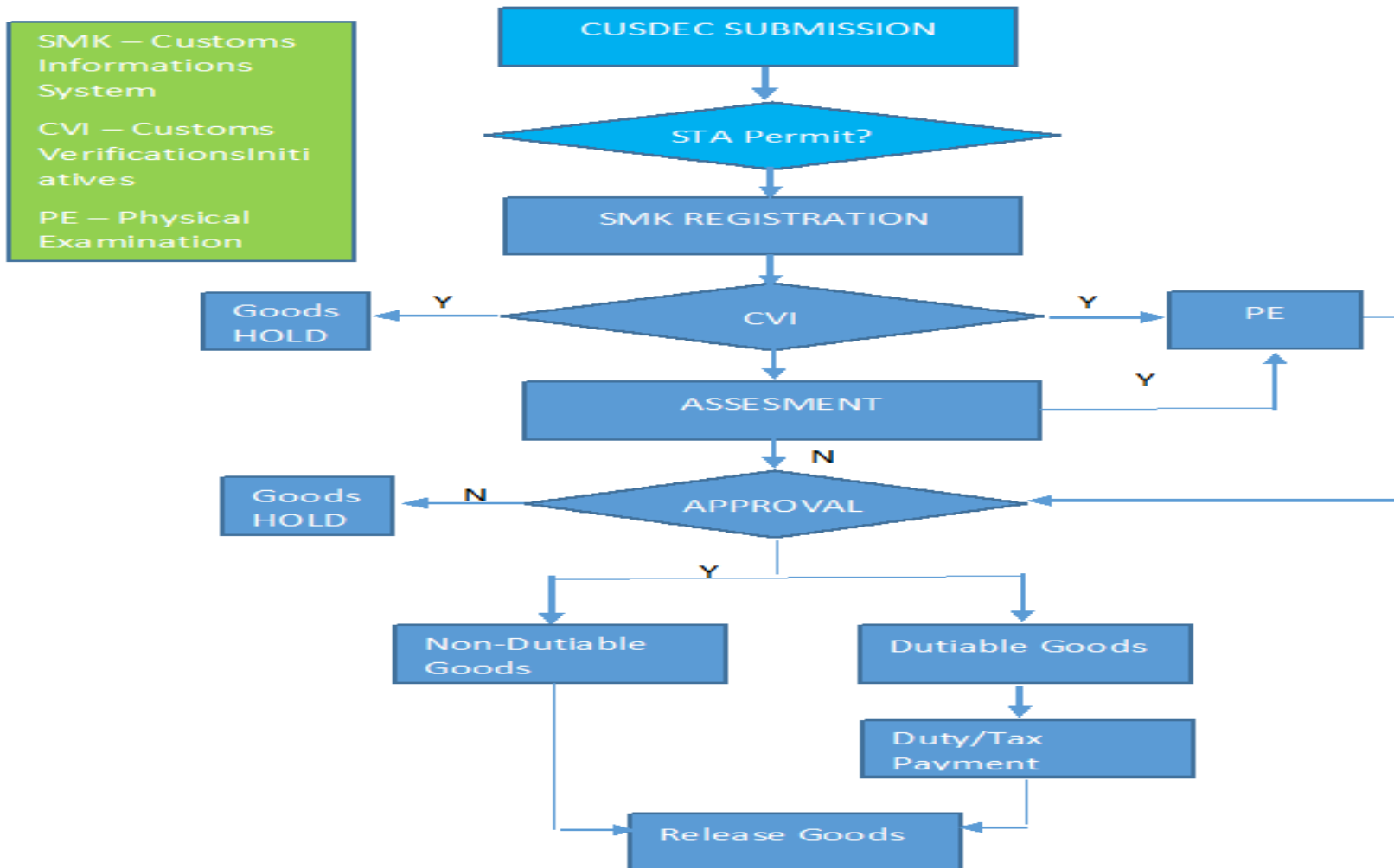
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- ✓ **Bill of Lading, AWB, Consignment Note**
- ✓ **Invoices, Brochures & Catalogues**
- ✓ **Certificate of origin – Forms D, E, AK, MJEPA, MAFTA etc.**
- ✓ **Banking documents**
- ✓ **Weight list & Packing list**
- ✓ **Import License where necessary**
- ✓ **Certificate of Exemptions – LMW, TE**
- ✓ **Declaration to give a full and true account**

Export Procedures & Control



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Self-Declaration under STA



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STA requirement in eDeclare K2, K8

The export declaration will have a new MANDATORY field requesting
The declarant shall declare if the goods being exported are under Strategic Trade Act 2010. See
screen capture below.

The screenshot shows the 'eDeclare - K2 Web Client' interface. The 'Declaration Header' section is visible, containing various fields for shipment details, invoice information, and charges. A red circle highlights the 'Strategic Trade Act (STA)' field, which has radio buttons for 'Yes' and 'No'. A red box on the right contains the following text:

STA information on Declaration Header on eDeclare. Mandatory selection criteria 'Yes' or 'No'

Self-Declaration under STA



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If the declarant selects NO, the system will pop-up a Reminder Alert.

When user choose 'No', pop up reminder will appear.

Assessment of Goods



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Classification of goods

➤ Strategic Trade (Strategic Items) Order 2010

- Part 1 : Military Items (ML1 – ML22)
- Part 2 : List of Dual-use Items



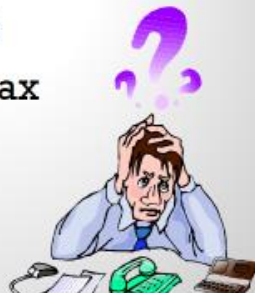
- ❑ Category 0 – Nuclear material, facilities & equipment
- ❑ Category 1 – Special Material & Related Equipment
- ❑ Category 2 – Material Processing
- ❑ Category 3 – Electronics
- ❑ Category 4 – Computers
- ❑ Category 5 – Telecommunication & Info Security
- ❑ Category 6 – Sensor and Lasers
- ❑ Category 7 – Navigation and Avionics
- ❑ Category 8 – Marine
- ❑ Category 9 – Aerospace and Propulsion



Challenges & Issues

ASSESSMENT

- Classification
- Valuation
- Preferential Treatment
- Exemption on duties/tax
- **Prohibition of Import/Export**



PHYSICAL EXAMINATION

- Purpose of PE
 - Risk Management (CVI)
 - Classification or Valuation
 - Verification of goods
- Rate of PE : 2 – 3%
- PE on export cargo is very minimum and confined to goods claiming drawback



PROHIBITION BY OGA

- | | |
|---------------------------|-------------------|
| ▪ MAQIS | ▪ CIDB |
| ▪ Pharmaceutical Services | ▪ Pesticide Board |
| ▪ MOH | ▪ MITI |
| ▪ SIRIM | ▪ MTIB |
| ▪ AELB | ▪ National Museum |
| ▪ Energy Commission | ▪ PDRM |
| ▪ JAS | ▪ MOF |
| | ▪ MOHA |

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MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

unlisted item
 technology
 registration multiple permit
 nuclear weapon
 prohibited training special permit
 record keeping strategic technology
 brokering
 software chemical weapon
 trade single permit
 military items
 UNSCR 1540
 strategic items controller
 screening biological weapon
 red flag indicator bulk permit
 transship
 and user statement
 penalty ITT
 investigation
 audit transmit security exemption
 dual use items
 goods bring in transit toxin
 internal compliance program awareness
 relevant authority financial proliferation authorized officer technical assistance

Thank you



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