

GUIDELINES FOR IMPORTATION AND INSPECTION OF METAL SCRAP

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1. INTRODUCTION

- 1.1 The importation of all metal scraps to Malaysia comes under the purview of the Ministry of International Trade and Industry (MITI) and are subject to the issuance of a Certificate of Approval (COA) by SIRIM as per the Customs (Prohibition of Imports (Amendment))(No.2) Order 2022.
- 1.2 The purpose of the Guidelines for Importation and Inspection of Metal Scrap ("Guideline") is to provide guidance in relation to the importation and inspection of metal scrap into Malaysia.
- 1.3 The Guideline also lays down the requirements for the issuance of the COA and the allowed criteria of metal scrap including scheduled waste.
- 1.4 This Guideline is prepared based on numerous consultation and series of discussion within committee members consist of representatives from MITI, Malaysian Investment Development Authority (MIDA), Department of Environment (DOE), Ministry of Environment and Water (KASA), National Solid Waste Management Department (JPSPN), Royal Malaysian Customs Department (RMCD), Port Authorities/ Port Operators and SIRIM.
- 1.5 This Guideline shall be reviewed from time to time to accommodate changes in policies, law or regulations involving the importation of metal scrap. The latest edition of this Guideline shall be applied whenever it is available.
- 1.6 All applicants shall adhere to the requirements and processes as specified in this Guideline.

2 SCOPE OF APPLICATION

- 2.1 This Guideline covers regulations on all importation of metal scrap which include iron, steel, aluminium and copper into Malaysia intended for manufacturing purposes to produce finished products or goods in various fields.
- 2.2 The tariff codes for metal scrap allowed for importation are as follows:
 - (i) HS Code 7204: Ferrous waste and scrap; remelting scrap ingots of iron or steel
 - (ii) HS Code 7404: Copper waste and scrap
 - (iii) HS Code 7602: Aluminium waste or scrap
- 2.3 The imported metal scrap shall not contain trace elements or be contaminated by materials that are classified or defined as:

- (i) scheduled waste under First Schedule of the Environmental Quality Act (Scheduled Waste) Regulations 2005; or/and
- (ii) hazardous waste or other waste specified in the Basel Convention.

2.4 Parties qualified to apply for metal scrap imports are as follows:

- (i) Manufacturers with a Manufacturing Licence ("ML") approved by MITI; or
- (ii) Manufacturers who have been issued with a *Confirmation Letter for a Company Exempted from the Manufacturing License* (ICA 10) ("ICA 10 Manufacturers");
- (iii) Any third party importer ("Third Party Importer") or Trading Arm Company. The Third Party Importer or the Trading Arm Company shall produce the following documents for the application process:
 - a. Approved invoices from ML holders or ICA 10 Manufacturers; and
 - b. Memorandum of Agreement (MoA) with Manufacturing Licence holders or ICA 10 Manufacturers.

2.5 The following parties are not allowed to import metal scrap into Malaysia:

- (i) Manufactures that do not fulfil the requirements specified under Clause 2.4 (i) and (ii); and
- (ii) Third Party Importer or Trading Arm Company who do not fulfill the requirements under Clause 2.4 (iii).

2.6 The importation of metal scrap into Malaysia is permitted via sea and land transport at all ports of entry in Malaysia.

3 PRE-CONDITIONS/PRE-QUALIFIERS FOR COA APPLICATION

3.1 The following outlines the pre-conditions to be fulfilled before applying for COA.

3.2 For manufacturers:

- (i) Shall have a valid ML or a Confirmation Letter for a Company Exempted from the Manufacturing License (ICA 10).
- (ii) Hold a License under SIRIM Certification/Eco-Label scheme or undergo annual inspection or verification services at manufacturing premises to ensure that manufacturers consistently process scrap metal and waste that meets the standard requirements including the requirements under this Guideline. Refer to SIRIM relevant Guidelines/ Scheme Certification

information on the process and requirements to obtain a License/Certificate under SIRIM Certification/SIRIM Eco-label Certification /Inspection Scheme.

- (iii) Ensure that the applied imported metal scrap volume is based on the quota of raw material required and does not exceed the maximum annual production capacity of the ML holder or ICA 10 manufacturer. SIRIM shall conduct an audit or inspection to verify and confirm the quota of raw materials and the maximum production capacity.
- (iv) Provide SIRIM with a Bank Guarantee. This Bank Guarantee is required as a security for the compliance of the Guideline. The Bank Guarantee amount shall be projected based on the highest shipping cost including all incidental costs for returning the non-compliance materials to its country of origin (per shipment).
- (v) Ensure that the manufacturer's premises are in operation and comply with the Environmental Quality Act 1974 and its related Regulations.
- (vi) Ensure that the storage space/capacity of imported metal scrap materials is adequate and handled appropriately.

Criteria imposed as per table below:

a) HS Code 7204 (Ferrous waste and scrap; remelting scrap ingots of iron or steel)

No	Criteria Grouping	Requirement (% by weight)
1.	Solid Ferrous	Minimum: 94.75%
2.	Solid Non-Ferrous	Maximum: 5.0 %
3.	Other recoverable materials including plastic	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
	Total	100%

b) HS Code 7404 (Copper waste and scrap)

No	Criteria Grouping	Requirement (% by weight)
1.	Solid Non-Ferrous (Copper only)	Minimum: 94.75%
2.	Solid Ferrous and other Non-Ferrous	Maximum: 5.0 %
3.	Other recoverable materials including plastic	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
	Total	100%

c) HS Code 7602 (Aluminium waste or scrap)

No	Criteria Grouping	Requirement (% by weight)
1.	Solid Non-Ferrous (Aluminium only)	Minimum: 94.75%
2.	Solid Ferrous and other Non-Ferrous	Maximum: 5.0 %
3.	Other recoverable materials including plastic	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
	Total	100%

- The expected total shipment weight of metal scrap (solid ferrous & solid non-ferrous) shall be up to 99.75%.
- The metal scrap shall not contain or be contaminated with hazardous wastes that allow it to be subjected to hazardous wastes or any waste under the Basel Convention, and does not contain other impurities.
- Crushed or shredded form of metal scrap of sizes less than 5 mm is not allowed for importation.
- Manufacturers shall have waste management facilities or standard recycling processes for the recoverable materials including plastic.
- Unintentional traces of scheduled waste including e-waste aiming at 0% should not be penalised.

3.2.1 In the event of non-compliance:

- (i) SIRIM shall issue a Notification Letter and Suspension Letter.
- (ii) Manufacturer is required to take the following actions:
 - a. For non-compliance due to the presence of scheduled or hazardous waste

To return the non-compliant metal scrap to the country of origin, as per Article 9 of the Control of Transboundary Movements of Hazardous Wastes under the Basel Convention. All costs of return to be borne by the manufacturer.

Note:

- Any non-compliance may be subject to enforcement under Section 34B of the Environmental Quality Act 1974.

b. Other non-compliance apart from the scheduled waste and hazardous waste

To return to the country of origin or appropriately dispose of in an environmentally sound manner. All cost of return to be borne by the manufacturer.

- (iii) The Bank Guarantee provided for COA application shall be forfeited in the event of non-compliance or any false declaration and actions required as per clause 3.2.1 (ii) are not taken or the shipment is abandoned at the Port of Entry. The Bank Guarantee amount shall be used to cover transportation and incidental costs for the return shipment to its country of origin and/or its disposal.

3.2.2 The Suspension letter shall be withdrawn if all actions under clause 3.2.1 (ii) are complied with.

3.2.3 The manufacturer is prohibited from any future applications for a COA pursuant to this Guideline if it fails to take actions under clause 3.2.1 (ii).

3.2.4 SIRIM reserves the right to disqualify any manufacturer from future applications of a COA in the case of repetitive non-compliance of more than two (2) times by the same manufacturer.

3.3 For Trading Arm Company or Third Party Importer:

- (i) Shall fulfill the requirements under clause 2.4 (iii).
- (ii) Ensure that the imported metal scrap volume is proportionate to the quota of raw materials required and not exceeding the maximum annual production capacity of the ML Holders or ICA 10 manufacturers.
- (iii) Ensure the ML Holders / ICA 10 manufacturers hold a License under SIRIM Certification/Eco-Label scheme or undergo annual inspection or verification services at manufacturing premises to ensure that manufacturers consistently process scrap metal and waste that meets the standard requirements including the requirements under this Guideline.
- (iv) Provide SIRIM with a Bank Guarantee. This Bank Guarantee is required as a security for the compliance of the Guideline. The Bank Guarantee amount shall be projected based on the maximum shipping cost including all incidental costs for returning the non-compliance materials to its country of origin (per shipment).

Criteria imposed is based on the respective HS Code tables under Clause 3.2

3.3.1 In the event of non-compliance:

- (i) SIRIM shall issue a Notification Letter and Suspension Letter.

(ii) The Third Party Importer or the Trading Arm Company shall take the following actions:

a. For non-compliance due to the presence of scheduled or hazardous waste

To return the non-compliant metal scrap to the country of origin, as per Article 9 of the Control of Transboundary Movements of Hazardous Wastes under the Basel Convention. All costs of return to be borne by the manufacturer.

Note:

- Any non-compliance may be subject to enforcement under Section 34B of the Environmental Quality Act 1974.

b. Other non-compliance apart from the scheduled waste and hazardous waste

To return to the country of origin or appropriately dispose of in an environmentally sound manner. All cost of return to be borne by the by the Trading Arm Company or the Third Party Importer.

(iii) The Bank Guarantee provided for COA application shall be forfeited in the event of non-compliance or any false declaration and actions required as per clause 3.3.1(ii) are not taken or the shipment is abandoned at the Port of Entry. The Bank Guarantee amount shall be used to cover transportation and incidental costs for the return shipment to its country of origin and/or its disposal.

3.3.2 The Suspension letter shall be withdrawn if all actions under clause 3.3.1 (ii) are complied with.

3.3.3 The Third Party Importer or the Trading Arm Company is prohibited from any future applications for a COA pursuant to this Guideline if it fails to take actions under clause 3.3.1 (ii).

3.3.4 SIRIM reserves the right to disqualify any Third Party Importer or Trading Arm Company from future applications of a COA in the case of repetitive non-compliance of more than two (2) times by the same Third Party Importer or Trading Arm Company.

3.3.5 Manufacturers may also be prohibited and disqualified under clause 3.3.3 and clause 3.3.4 in the event that their appointed Third Party Importer or Trading Arm Company is found to be in non-compliance of this Guideline.

3.4 For Shipping/Logistics Agents, Cargo Transport and Carrier/Shipping Liners:

- (i) Ensure that the declared consignee is a manufacturer, Trading Arm Company or Third Party Importer that possesses a valid premise and relevant licenses.
- (ii) The declaration made in connection to imported goods are complete, true and correct.
- (iii) Responsible for the return of the non-compliant metal scrap to the country of origin or appropriately disposed of in an environmentally sound manner.

4 PROCEDURE FOR IMPORTATION AND INSPECTION OF METAL SCRAP INTO MALAYSIA

4.1 Methods for Importation and Inspection of Metal Scrap

- 4.1.1 There are four (4) available Methods for Importation and Inspection of Metal Scrap into Malaysia with different inspection requirements. The Methods are as follows:

	NO.	METHODS
WITHOUT SIRIM Approved Materials Recovery Facility (MRF)	(i)	Type 1A
	(ii)	Type 1B
	(iii)	Type 1C
WITH SIRIM Approved Materials Recovery Facility (MRF)	(iv)	Type 2

Note:

- Refer to **TABLE 1** for details of each method.
- To be a SIRIM Approved MRF: Applicants shall apply through SIRIM. SIRIM shall conduct an evaluation and inspection at the MRF's premises for approval. Applicants may refer to the Guidelines for Material Recovery Facility Scheme for the detailed processes and requirements.

- 4.1.2 Applicants are required to choose one (1) of the methods and undertake all requirements and processes including an inspection process for the issuance of COA by SIRIM.
- 4.1.3 SIRIM reserves the right to conduct random inspections at port of entry notwithstanding any selected Method of Importation by the Applicant. All costs of inspection to be borne by the applicants. This may include the inspection to be conducted upon requests by relevant authorities like the Royal Malaysian Customs Department (RMCD).

TABLE 1: METHODS FOR IMPORTATION AND INSPECTION OF METAL SCRAP INTO MALAYSIA

REQUIREMENTS/PROCESSES	METHODS			
	WITHOUT SIRIM Approved MRF			WITH SIRIM Approved MRF
	TYPE 1A	TYPE 1B	TYPE 1C	TYPE 2
1. Mode of Transport	Sea Mode & Land Mode	Sea Mode & Land Mode	Sea Mode only (Not applicable to Land Mode)	Sea Mode & Land Mode
2. Manufacturer – has ML/ICA 10 Trading arm company – has MoA and approved invoices with ML/ICA 10 manufacturing companies	√	√	√	√
	(Required)	(Required)	(Required)	(Required)
3. SIRIM Certification/Eco-Label Certification License/Annual Inspection or Verification Services	√	√	√	√
	(Required)	(Required)	(Required)	(Required)
4. Pre-shipment Inspection (at country of origin)	√	√	√	X
	(Done by SIRIM)	(Done by Foreign Inspection Body that has signed an MoA with SIRIM)	(Done by Foreign Inspection Body without MoA with SIRIM)	(Not required to be done by SIRIM or FIB) However, Inspection Report issued by SIRIM Approved MRF is required
5. Post-shipment Inspection (Off-Board – Inside Port of Entry)	X	X	√	X
	(Not required)	(Not required)	(Required. Done by SIRIM)	(Not required)
6. Issuance of Certificate of Approval (COA)	√	√	√	√
	(Require compliance of Pre- shipment Inspection)	(Require compliance of Pre-shipment Inspection)	(Require compliance of Pre-shipment & Post-Shipment Inspection)	(Does not require Pre- shipment or Post- shipment inspection, but require Inspection Report issued by SIRIM Approved MRF)
7. Inspection at Factory Storage Yard	X	X	X	√
	(Not required)	(Not required)	(Not required)	(Required. Done by SIRIM))

Refer to **FLOWCHART 1** - Overview of the Procedure for Importation and Inspection of Metal Scrap into Malaysia.

4.2 Pre-Shipment Inspection Process - Applicable only for Method Type 1A, Type 1B & Type 1C.

- 4.2.1 Applicant shall undergo Pre-shipment Inspection to be conducted at the factory storage yard of the country of origin by:
- (i) SIRIM; or
 - (ii) Foreign Inspection Body (FIB) of preference that are available in SIRIM's "Approved Foreign Inspection Body (FIB)" list
- 4.2.2 Applicant may also use other accredited Inspection Bodies but ensure it is successfully registered with SIRIM beforehand.
- 4.2.3 SIRIM shall not accept the Inspection Report issued by any unregistered Inspection Body.
- 4.2.4 An Inspection Body can be registered as FIB under SIRIM's "Approved Foreign Inspection Body (FIB)" list through the following methods:
- (i) Application to register is made by an appointed Applicant on behalf of the Inspection Body; or
 - (ii) The Inspection Body applying directly to SIRIM.
- 4.2.5 The Applicant or the Inspection Body shall submit the following documents for registration:
- (i) Copy of certificate of accreditation ISO/IEC 17020;
 - (ii) Copy of scope of accreditation; and
 - (iii) List of competent inspector(s).
- 4.2.6 SIRIM shall only evaluate applications with complete documents for approval.
- 4.2.7 SIRIM shall notify the Applicant or the Inspection Body of the status of the applications. The name of the approved Inspection Body shall be included in SIRIM's "Approved Foreign Inspection Body (FIB)" list.
- 4.2.8 Any registered FIB may request to sign a MoA with SIRIM. SIRIM shall conduct its due diligence before proceeding.
- 4.2.9 The FIB that has signed the MoA with SIRIM shall be updated in SIRIM's "Approved Foreign Inspection Body (FIB)" list.
- 4.2.10 The process flow for the registration of FIB is as per **FLOWCHART 2**.

- 4.2.11 Applicant to proceed with application and arrangement for Pre-shipment Inspection to SIRIM or FIB. Applicant shall notify SIRIM on the time and date of inspection at least five (5) working days in advance.
- 4.2.12 Applicant shall provide shipping documents (Import documents, Invoice and Packing List) and ML or ICA 10.
- 4.2.13 Applicant to arrange the Pre-shipment inspection activity.
- 4.2.14 The authorised inspector shall conduct the Pre-shipment Inspection on selected samples based on the sampling method according to ISO 2859-1:1999.
- 4.2.15 The Pre-shipment Inspection shall cover the following activities:
- (i) Visual inspection;
 - (ii) Segregation and measure;
 - All costs of waste segregation including the manpower shall be borne by the Applicant. The segregation work shall be witnessed by the authorised inspector.
 - (iii) Radiation (scan and measure= +0.25 µGy/h max.).
- 4.2.16 Upon completion of inspection, the Pre-shipment inspection report shall be issued to the Applicant.
- 4.2.17 The Pre-shipment inspection report (issued by FIB or SIRIM) shall contain information on:
- Visual inspection of the vessel transporting the metal scrap.
 - Evidence such as photos of inspection and metal scrap.
 - Visual evidence of the loading of the metal scrap including the final condition inside the vessel or container.
 - Visual evidence of segregation and grouping.
 - Verification of Shipping Documents and ML or ICA 10.
 - Method of sampling according to ISO 2859-1:1999
 - Segregation, calculation, interpolation, weighing.
 - Testing report on metal scrap classification, scheduled waste, other impurities and hazardous elements (if applicable).
- 4.2.18 If the Pre-shipment Inspection results do not comply with the criteria in this Guideline, importation of the metal scrap to Malaysia shall be denied.
- 4.2.19 If the Pre-shipment Inspection results comply with this Guideline, the metal scrap is allowed to be imported into Malaysia and the Applicant may proceed to apply for COA from SIRIM. Refer to clause 4.3.

4.2.20 The Pre-shipment Inspection report is valid for three (3) months.

4.2.21 The complete process flow for Pre-shipment Inspection as per **FLOWCHART 3**.

4.3 COA Application:

4.3.1 Application for COA is **ONLY ALLOWED** for Applicant who fulfilled the pre-conditions/pre-qualifiers listed under clause 3.

4.3.2 For manufacturers, documents to be submitted for application of COA are as follows:

No.	Documents required
1.	Shipping documents (Invoice, Packing List & Import Documents)
2.	Valid Pre-shipment inspection report (For Method Type 1A, 1B and 1C)
3.	Inspection reports issued by SIRIM Approved MRF (For Method Type 2 only)
4.	Proof of SIRIM Approved MRF Certificate (For Method Type 2 only)
5.	Proof of Manufacturing License (ML) or Confirmation Letter for a Company Exempted from a Manufacturing License (ICA 10) issued by MIDA.
6.	Bank Guarantee
7.	SIRIM Certificate
8.	Shipping Insurance Policy
9.	Tariff Code Classification Letter issued by RMCD

- 4.3.3 For Trading Arm Companies, documents to be submitted for application of COA are as follows:

No.	Documents required
1.	Shipping documents (Invoice, Packing List and Import Documents)
2.	Valid Pre-shipment inspection report (For Method Type 1A, 1B and 1C)
3.	Inspection reports issued by SIRIM Approved MRF (For Method Type 2 only)
4.	Proof of SIRIM Approved MRF Certificate (For Method Type 2 only)
5.	Proof of manufacturing license (ML) or Confirmation Letter for a Company Exempted from a Manufacturing License (ICA 10) issued by MIDA.
6.	Verified invoice from ML holders or ICA 10 manufacturers and Memorandum of Agreement (MoA) with ML holders or ICA 10 manufacturers
7.	Bank Guarantee
8.	SIRIM Certificate of the ML holders or ICA 10 manufacturers
9.	Shipping Insurance Policy
10.	Tariff Code Classification Letter issued by RMCD

- 4.3.4 SIRIM shall evaluate the application with complete documents submitted by the Applicants for COA. Non-satisfactory information or incomplete application shall be rejected. Re-application is allowed if the COA pre-conditions/pre-qualifiers are fulfilled and the required documents are complete.
- 4.3.5 Upon acceptance of the COA application, SIRIM shall notify and issue an invoice to the Applicant. The Applicant is required to make payment for the following fees:
- COA; and
 - Either Post-shipment Inspection Fee (Method Type 1C only) or Inspection at factory storage yard Fee (Method Type 2 only) depending on the Applicant's chosen method.
- 4.3.6 Upon receipt of payment, SIRIM shall issue the COA to the Applicants of Method Type 1A, Type 1B and Type 2. The validity of COA is one (1) month. Applicants of Type 1C may proceed with the Post-shipment Inspection process before COA can be issued. Refer to clause 4.4.

- 4.3.7 Upon receiving the COA from SIRIM, the Applicants may proceed to obtain clearance at the port of entry from RMCD and Port Authority/Port Operator to deliver the imported metal scrap to designated/manufacturer premises. Manufacturers may then proceed for manufacturing processes.
- 4.3.8 SIRIM shall conduct inspection at the factory storage yard to ensure compliance of the incoming imported metal scrap based on the requirements and criteria of this Guideline for importation using Method Type 2.
- 4.3.9 SIRIM shall undertake audit checks of the manufacturer's premises under SIRIM Certification/SIRIM Eco-Label Certification scheme or conduct annual inspection/verification services at manufacturing premises to ensure the manufacturers consistently process waste meeting standard requirements and requirements under this Guideline.
- 4.3.10 The complete process flow for COA Application as per **FLOWCHART 4**.

4.4 Post-shipment Inspection for COA Issuance - for Method Type 1C only

- 4.4.1 Applicants shall undergo the Post-shipment Inspection process by SIRIM for all imported metal scrap into Malaysia via sea mode using Method Type 1C at port of entry before COA can be issued.
- 4.4.2 Post-shipment inspection shall be performed by a SIRIM authorised inspector.
- 4.4.3 Applicant shall notify SIRIM on the time and date for inspection at least three (3) days in advance.
- 4.4.4 Applicant shall provide the original copy of the shipping documents which include Pre- shipment inspection report, Invoice, Packing List & Bill of Lading during the inspection.
- 4.4.5 Applicant shall arrange for Post-shipment Inspection activity as follows:
- (i) on-board if shipment is via bulk/open vessel; or
 - (ii) off-board at a designated area at port of entry prepared by Port Authority/Port Operator if shipment is via containers.
- 4.4.6 Post-shipment inspection shall involve the following:
- (iii) Visual Inspection
 - (iv) Radiation (scan and measure= +0.25 µGy/h max.)
 - (v) Segregation

- All costs of waste segregation including the manpower are to be borne by the Applicant. The segregation works shall be witnessed by an authorised inspector.
- Metal scrap shall be segregated as follows (if imports contain all these elements in its shipment):
 - Solid ferrous
 - Solid non-ferrous
 - Other recoverable material including plastic
 - Scheduled waste including electrical and electronic waste
 - Other Impurities
- Authorised inspector shall select samples from each grouping based on MS ISO 2859-1, Sampling Plan according to General Inspection Level II and Acceptance Quality Limit (AQL) 6.5. Samples shall be weighed and calculated based on the percentage from the incoming scrap.

Example for shipment via containers:

Imported metal scrap using containers = 50 containers

Sampling using AQL (General Inspection Level II, 6.5) = 8 containers

From each 8 containers, samples shall be taken for:

- 1) Visual inspection
- 2) Segregation, weighing and measuring
- 3) Radiation (scan and measure)

The external exposure of the radiation rate for the material including the packaging shall not exceed +0.25µGy/h than the normal natural background radiation level.

Example : Natural background level = 0.1

Radiation reading = 0.1 + 0.25µGy/h
 = 0.35µGy/h max.

4.4.7 Upon completion of Post-shipment Inspection, SIRIM shall issue an inspection report to the Applicant containing information on:

- Verification of Pre-shipment Inspection report.
- Evidence such as photos of inspection and metal scrap.
- Visual inspection of the vessel transporting the metal scrap.
- Visual evidence of segregation and grouping.
- Verification and evidence of shipping documents (Invoice, Packing List & Bill of Lading) and Manufacturing License (ML) or Confirmation Letter for a Company Exempted from a Manufacturing License (ICA 10) issued by MIDA.
- Method of sampling.
- Segregation, calculation, interpolation, weighing.
- Testing report on metal scrap classification, scheduled waste, other impurities and hazardous elements (if applicable).

4.4.8 If Post-shipment results do not comply with the requirements under this Guideline, the Applicant shall return the imported metal scrap to the country of origin or appropriately dispose of it in an environmentally sound manner at their own cost, as per clause 3.2.1 (ii) or clause 3.3.1 (ii).

4.4.9 If Post-shipment results comply with the requirements under this Guideline, SIRIM shall issue the COA.

4.4.10 Upon issuance of the COA, the Applicant can proceed to obtain clearance approval from RMCD and Port Authority/Port Operator to unload and deliver the imported metal scrap to designated/manufacture premises for manufacturing process.

4.3.11 SIRIM shall undertake audit checks of the manufacturer's premises under SIRIM Certification/SIRIM Eco-Label Certification scheme or conduct annual inspection/verification services at manufacturing premises to ensure the manufacturers consistently process the waste that meets the standard requirements and requirements under this Guideline.

4.3.12 The complete process flow for Post-shipment inspection for COA issuance for Method Type 1C only as per **FLOWCHART 5**.

4.5 Inspection at Factory Storage Yard - For Method Type 2 Only

4.5.1 Applicants shall undergo an inspection process for all imported metal scrap into Malaysia by each shipment using Method Type 2 at a designated factory storage yard.

4.5.2 The inspection shall be performed by SIRIM authorised inspector.

- 4.5.3 Applicants shall notify SIRIM on the time and date for inspection at least three (3) days in advance.
- 4.5.4 Applicant shall provide the ORIGINAL copy of Shipping Documents which include K1 Form, Invoice, Packing List and Bill of Lading during the inspection.
- 4.5.5 Applicant shall arrange the full process for inspection activity to be undertaken:
- (a) The authorised inspector shall conduct sampling of containers or trucks (if import via open or bulk vessel) based on:
 - (i) AQL standard ISO 2859-1:1999 (for SIRIM Approved MRF obtained via inspection at the MRF physical site); or
 - (ii) 100% inspection (for SIRIM Approved MRF obtained via Supplier Management System)
 - (b) All selected samples are required to be inspected at the designated factory incoming storage yard.

Example:

Imported metal scrap using containers = 50 containers

Sampling using AQL (General Inspection Level II, 6.5) = 8 containers

From each 8 containers, samples shall be taken for:

- 1) Visual inspection.
- 2) Segregation, weighing and measuring.
- 3) Radiation (scan and measure).

The external exposure of the radiation rate for the materials including packaging shall not exceed $+0.25\mu\text{Gy/h}$ than the normal natural background radiation level.

- Example : Natural background level = 0.1
Radiation reading = $0.1 + 0.25\mu\text{Gy/h}$
= $0.35 \mu\text{Gy/h}$ maximum

4.5.6 Upon completion of the inspection, SIRIM shall issue an inspection report to the Applicant with the following information:

- Evidence such as photos of inspection and metal scrap.
- Visual inspection of the vessel transporting the metal scrap.
- Visual inspection of the unloading of the metal scrap.
- Visual evidence of any findings from visual inspection.
- Verification and evidence of shipping documents (K1 form, Invoice, Packing List & Bill of Lading) and Manufacturing License (ML) or Confirmation Letter for a Company Exempted from a Manufacturing License (ICA 10) issued by MIDA.
- Proof of SIRIM Approved MRF.
- Method of sampling.
- Testing report on scheduled waste, other impurities and hazardous elements (if applicable).

4.5.7 If the inspection results do not comply with the requirements under this Guideline:

- SIRIM shall suspend the prior obtained SIRIM Approved MRF Certificate.
- Applicant to manage the waste and scheduled waste disposal (if applicable).
- Applicant is not approved to continue importing metal scrap via Method Type 2.

4.5.8 SIRIM shall undertake audit checks of the manufacturer's premises under SIRIM Certification/SIRIM Eco-Label Certification scheme or conduct annual inspection/verification services at manufacturing premises to ensure the manufacturers consistently process the waste that meet the standard requirements and requirements under this Guideline.

4.5.9 The complete process flow for Inspection at Factory Storage as per **FLOWCHART 6.**

4.6 Sampling Plan for Inspection

- 4.6.1 Authorised inspector shall select samples from each grouping based on MS ISO 2859-1, Sampling Plan according to General Inspection Level II and Acceptance Quality Limit (AQL) 6.5. Refer to TABLE 2.

TABLE 2: MS ISO 2859-1, SAMPLING PLAN ACCORDING TO GENERAL INSPECTION LEVEL II AND ACCEPTANCE QUALITY LIMIT (AQL) 6.5.

Lot size (Number of ordered products)	Q General Inspection Levels			Q Special Inspection Levels			
	I	II	III	S-1	S-2	S-3	S-4
2 → 8	A	A	B	A	A	A	A
9 → 15	A	B	C	A	A	A	A
16 → 25	B	C	D	A	A	B	B
26 → 50	C	D	E	A	B	B	C
51 → 90	C	E	F	B	B	C	C
91 → 150	D	F	G	B	B	C	D
151 → 280	E	G	H	B	C	D	E
281 → 500	F	H	J	B	C	D	E
501 → 1 200	G	J	K	C	C	E	F
1 201 → 3 200	H	K	L	C	D	E	G
3 201 → 10 000	J	L	M	C	D	F	G
10 001 → 35 000	K	M	N	C	D	F	H
35 001 → 150 000	L	N	P	D	E	G	J
150 001 → 500 000	M	P	Q	D	E	G	J
500 001 → 1 000 000	N	Q	R	D	E	H	K

ISO 2859-1, ANSI/ASQ Z1.4, MIL-STD 105E, Single Sampling Plan

	NUMBER OF SAMPLES ▼	Acceptance Quality Limits (AQL) in %																	
		0.015	0.025	0.040	0.065	0.10	0.15	0.25	0.40	0.65	1.0	1.5	2.5	4.0	6.5	10	15	25	
		✓	✗	✓	✗	✓	✗	✓	✗	✓	✗	✓	✗	✓	✗	✓	✗	✓	✗
A	2	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↓	↓	↓	1 2	
B	3	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	↓	2 3	
C	5	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	
D	8	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	
E	13	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	
F	20	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	
G	32	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	
H	50	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	28 29	
J	80	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	28 29	
K	125	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	
L	200	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	
M	315	↓	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	
N	500	↓	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	
P	800	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑	
Q	1250	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑	↑	
R	2000	↑	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑	↑	↑	
✓ Acceptance ✗ Rejection																			
ISO 2859-1, ANSI/ASQ Z1.4, MIL-STD 105E, Single Sampling Plan, Normal Severity																			

5 SCHEDULE OF FEES

a. Pre-shipment Inspection by SIRIM (Sea Mode/Land Mode of transport)

No	Descriptions	Fees (RM)
1.	First 3000 MT	6,000/Shipment
2.	Subsequent Weight (>3000 MT)	1.80/Ton
3.	Inspection Report	500 /Shipment
4.	Incidental	As charged where applicable for accommodation, living allowances and transportation/mileage

b. COA's Fee

No	Description	Fee (RM)
1.	New application fee & Issuance of Certificate of Approval (COA) / Shipment <i>(Payable upon application & strictly non-refundable)</i>	RM350/shipment

c. Post-shipment Inspection Fee for Method Type 1C

(i) On-board (Shipment via Bulk/Open Vessel)

No	Descriptions	Fees (RM)
1.	First 3000 MT	2,700 / Shipment
2.	Subsequent Weight (>3000 MT)	0.70/MT
3.	Inspection Report	500/Shipment
4.	Testing Fee (If Applicable)	1,500/day/shipment
5.	Incidental SIRIM at its discretion shall assign an authorised inspector from the SIRIM branch nearest to the Port of Entry.	Refer TABLE 3 : Incidental cost for Post-shipment Inspection (For Method Type 1C)

(ii) Off-board (Shipment via container)

No.	Descriptions	Fees (RM)
1.	Post-shipment Inspection Fee for every sample container	
	<ul style="list-style-type: none">First 3 containers	RM 300
	<ul style="list-style-type: none">Subsequent containers	RM 100
	<ul style="list-style-type: none">SIRIM QAS Inspection Report	RM 500
	Example: Imported metal scrap using container = 50 containers Sampling using AQL (General Inspection Level II, 6.5) = 8 containers Total fee for first 3 containers = RM 100 x 3 = RM 300 Subsequent container = RM100 x 5 = RM 500 Inspection Report = RM 500 Total = <u>RM 1300</u> Note: From each 8 containers, samples shall be taken for: 1) Visual inspection 2) Segregation, weighing and measuring 3) Radiation inspection (scan and measure)	
2.	Testing Fee (If Applicable)	1,500/day/shipment
3.	Incidental cost for Post-shipment Inspection: SIRIM at its discretion shall assign an authorised inspector from the SIRIM branch nearest to the Port of Entry.	Refer TABLE 3: Incidental cost for Post-shipment Inspection

TABLE 3: INCIDENTAL COST FOR POST-SHIPMENT INSPECTION (FOR METHOD TYPE 1C)**SIRIM HQ to Port (Central Region)**

No	Port	Incidental Cost (RM)/Round Trip
1.	West Port, Klang	72
2.	North Port, Klang	48
3.	Lumut Port, Perak	336

SIRIM Johor to Port

No	Port	Incidental Cost (RM) /Round Trip
1.	Johor Port, Pasir Gudang	72
2.	Tanjung Langsat Port, Pasir Gudang	96
3.	Tanjung Pelepas Port, Gelang Patah	72

SIRIM Penang to Port

No	Port	Incidental Cost (RM) /Round Trip
1.	NBCT Port	24
2.	BWCT Port	24

SIRIM Pahang to Port

No	Port	Incidental Cost (RM) /Round Trip
1.	Kuantan Port, Pahang	24
2.	Kertih Port, Terengganu	160
3.	Kemaman Port, Terengganu	160

SIRIM Sarawak to Port

No	Port	Incidental (RM) /Round Trip
1.	Kuching Port	16
2.	Miri Port	Flight Ticket + other cost (0.80/km)
3.	Bintulu Port	Flight Ticket + other cost (0.80/km)
4.	Sibu Port	Flight Ticket + other cost (0.80/km)

SIRIM Sabah to Port

No	Port	Incidental Cost (RM) /Round Trip
1.	Kota Kinabalu Port	40
2.	Sepanggar Port	24
3.	Sandakan Port	Flight Ticket + other cost (0.80/km)
4.	Tawau Port	Flight Ticket + other cost (0.80/km)
5.	Lahad Datu	Flight Ticket + other cost (0.80/km)
6.	Labuan Port	Flight Ticket + other cost (0.80/km)

d. Inspection at Factory Storage Yard (For Method Type 2 only)

No.	Description	Fees (RM)
1.	a. Inspection Fee for every sample container	
	• First 3 containers	RM 300
	• Subsequent container	RM 100
	• SIRIM QAS Inspection Report	RM 500
	Example: Imported metal scrap using container = 10 containers Sampling using AQL (General Inspection Level II, 6.5) = 3 containers Total fee for 3 containers = RM 100 x 3 = RM 300 Inspection Report = RM 500 Total = <u>RM 800</u>	
	Note: From each 3 containers, samples will be taken for: 1) Visual inspection 2) Segregation, weighing and measuring 3) Radiation inspection (scan and measure)	
	b. Inspection Fee for scrap using bulk vessel/open vessel	
	• First 3,000 MT	2,700 / shipment
	• Subsequent Weight (>3000 MT)	0.70/ MT
	• SIRIM QAS Inspection Report	500
	• Testing Fee (if applicable)	1,500/day/shipment
	Example: Imported metal scrap using bulk vessel/open vessel = 5,000 MT Actual number of truck use to transfer to factory yard = 420 trucks Sampling using AQL (General Inspection Level II, 6.5) = 50 trucks Fee for first 3,000 MT = RM 2,700 Subsequent weight = 2000 MT x RM 0.70 = RM 1,400 Inspection Report = RM 500 Total = <u>RM 4,600</u>	
	Note: From 50 trucks, samples will be taken for: 1) Visual inspection 2) Segregation, weigh and measure 3) Radiation inspection (scan and measure = +0.25µGy/h max)	

2.	Testing Fee (If Applicable)	1,500/day/shipment
3.	Incidental Charges for Inspection at Factory Storage Yard	As per SIRIM's standard rate

6 CLIENT'S CHARTER

a. Registration of Foreign Inspection Body (FIB)

Evaluation	1 working day
Approval	1 working day
Register in SIRIM Approved FIB list	1 working day
Total	3 working days

b. Pre-Shipment Inspection by SIRIM

Issuing an invoice	1 working day
Inspection at Country of Origin	2-5 working days
Issuing of inspection report	2 working days
Total	5-8 working days

c. COA Application

Evaluation of submitted shipping documents	1 working day
Issuing an invoice	1 working day
Total	2 working day

d. Post-shipment Inspection (For Method Type 1C only)

Post-shipment Inspection	1-4 working days
Inspection report and Approval	1 working day
Total	2-5 working days

e. COA Issuance

COA issuance upon payment (Type 1A, Type 1B and Type 2)	1 working day
COA issuance upon compliance of Post-shipment Inspection (1C)	1 working day

f. Inspection at Factory Storage Yard (For Method Type 2 only)

Issuing of Quotation	1-2 working days
Scheduling of inspection	1-2 working days
Inspection process	1-5 working days
Inspection report and Approval	1-2 working day
Total	4-11 working days

7 GLOSSARY OF TERMS

- 7.1 **Applicant(s)** – Importer (including Third Party Importer, Manufacturer or Trading Arm Company) who applies for the importation of metal scrap into Malaysia.
- 7.2 **Authorised inspector** – Any individual authorised by SIRIM to conduct inspections.
- 7.3 **Certificate of Approval (COA)** – A permit to import metal scrap after successfully complying to the various standards and meeting all the requirements under this Guideline.
- 7.4 **Foreign Inspection Body** – A competent body with ISO/IEC 17020 accreditation and approved by SIRIM that performs inspection activities involving the examination of a product, process, service and many more.
- 7.5 **ICA 10 manufacturers** - Manufacturers who are exempted from a Manufacturing License from MITI and/or granted with an Exemption from Manufacturing License from Malaysian Investment Development Authority (MIDA) (ICA 10).
- 7.6 **Inspection** – The examination or assessment of goods, processes, services, installation or design to determine its conformity with specific requirements and professional judgement.
- 7.7 **Inspection report** – A complete report from SIRIM or Foreign Inspection Body for the metal scrap inspection.
- 7.8 **Manufacturing License (ML) holder** – A manufacturing company registered with Companies Commission of Malaysia (SSM) and has obtained Manufacturing License (ML) from MITI and other licenses from relevant local authorities.
- 7.9 **Metal scrap** – Waste and scrap of precious metal or of metal clad with precious metal; other waste and scrap containing precious metal or precious metal compounds, of a kind used principally for the recovery of precious metal.
- 7.10 **Post-shipment Inspection** – Inspection of imported metal scrap conducted at port of entry prior to the issuance of COA.
- 7.11 **Pre-shipment Inspection** – Inspection of metal scrap conducted at the country of origin by SIRIM or any approved Foreign Inspection Body (FIB).
- 7.12 **Scheduled waste** – Any waste that falls within the waste category listed in the First Schedule, Environmental Quality (Scheduled Wastes) Regulations 2005.
- 7.13 **Shipping document** – A set of documents which include Invoice, Packing List, Import Declaration and Bill of Lading from the various incoming scrap shipment.
- 7.14 **SIRIM** – SIRIM QAS International Sdn Bhd who is acting on behalf of SIRIM Berhad pursuant to the Customs (Prohibition of Imports) (Amendment) Order 2021.

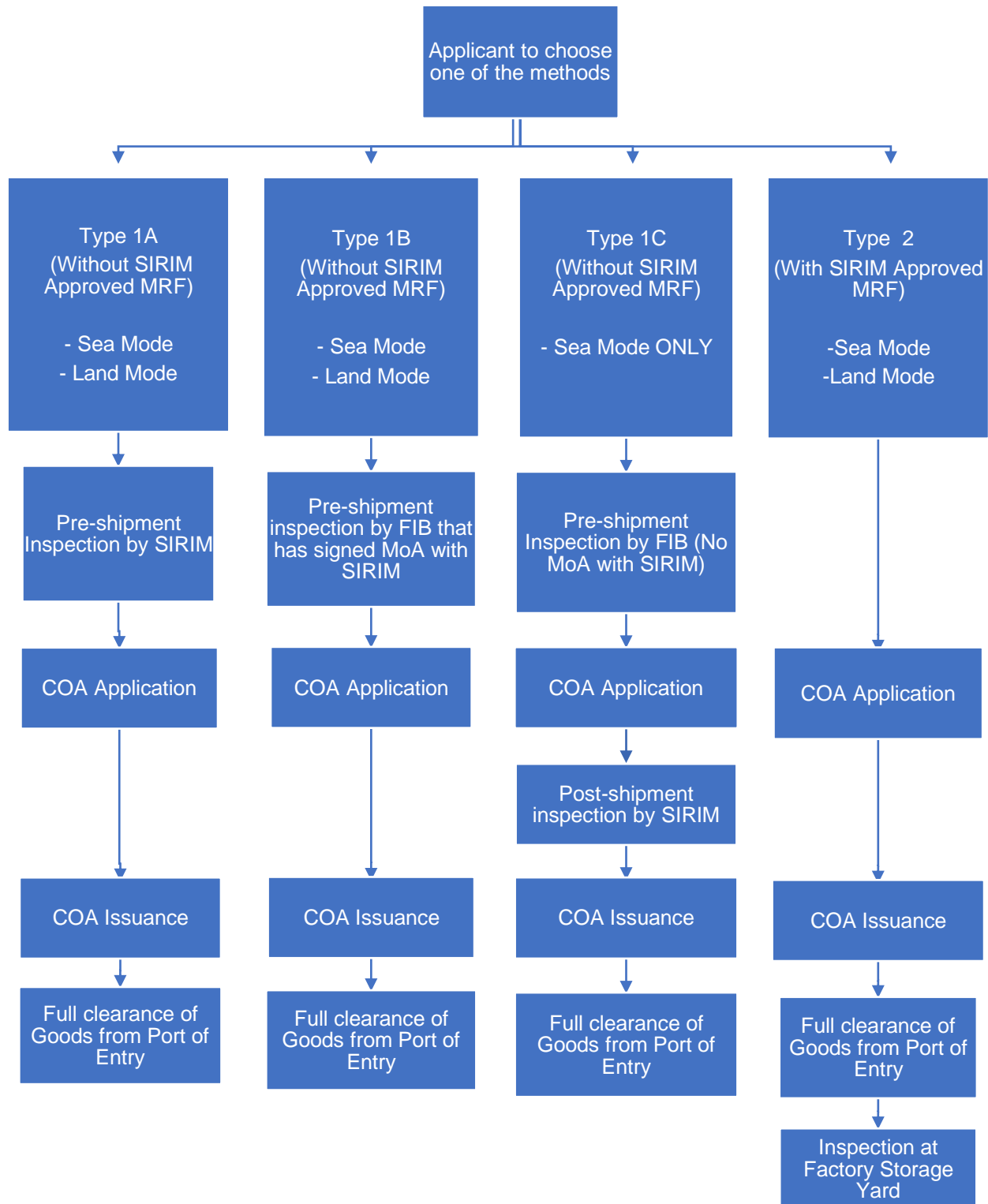
- 7.15 **SW110** – Waste from electrical and electronic assemblies containing components such as accumulators, mercury-switches, glass from cathode-ray tubes and other activated glass polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl.
- 7.16 **Trading Arm Company** – Third parties or subsidiaries of iron and steel mills, aluminium producers or copper makers who conduct trading activities.

8 REFERENCES

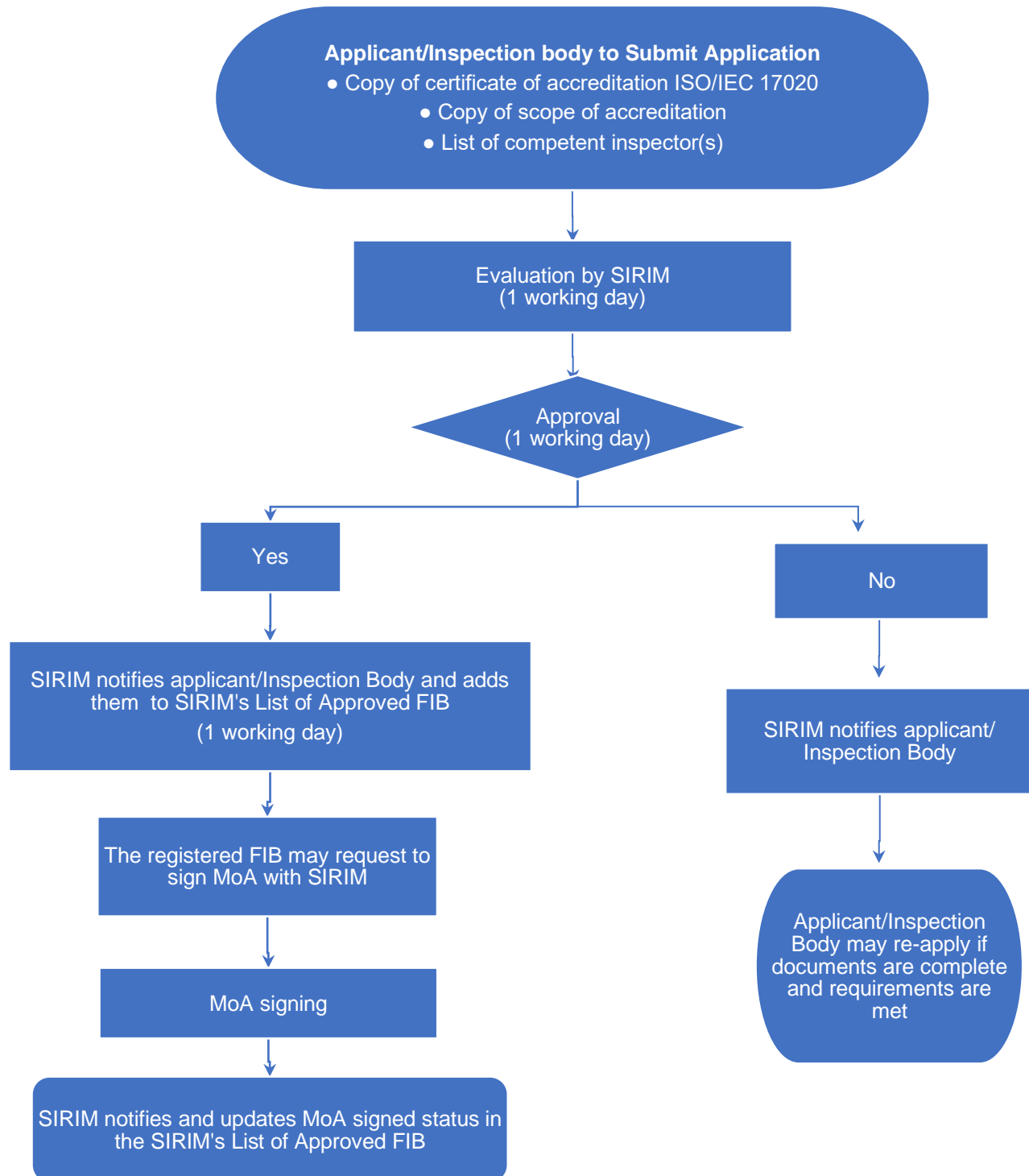
The following reference documents are used for establishing this Guidelines for Importation and Inspection of Metal Scrap. For undated references, the latest edition of the reference document (including any amendment) applies.

No.	REFERENCES
1.	Department of Environment (DOE) "Garis Panduan Pengimportan Sekerap Logam ke Malaysia", Jabatan Alam Sekitar, Keluaran Pertama, Januari 2020
2.	ISO 2859-1: Sampling procedures for inspection by attributes – Part 1: Sampling schemes indexed by acceptance quality limit (AQL) for lot-by-lot inspection
3.	DOE "Environmental Quality (Scheduled Wastes) Regulations 2005"
4.	DOE "Environmental Quality Act 1974"
5.	GB 16487.7-2017 Environmental Protection Control Standard for Imported Solid Waste as Raw Material
6.	Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal Protocol on Liability and Compensation for damage resulting from transboundary movements of hazardous wastes and their disposal Texts and annexes Revised in 2019

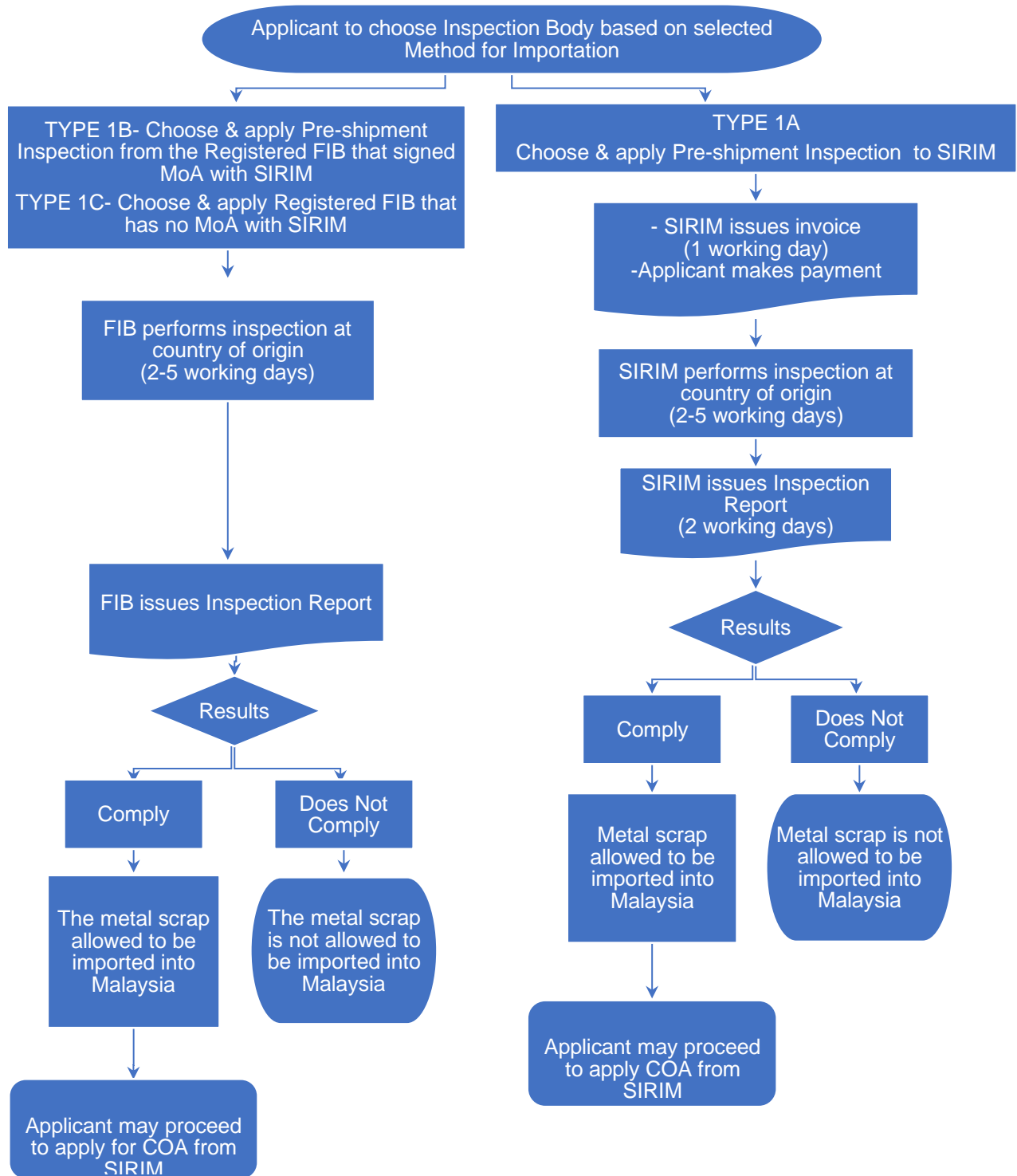
FLOWCHART 1: OVERVIEW OF THE PROCEDURE FOR IMPORTATION AND INSPECTION OF METAL SCRAP INTO MALAYSIA.



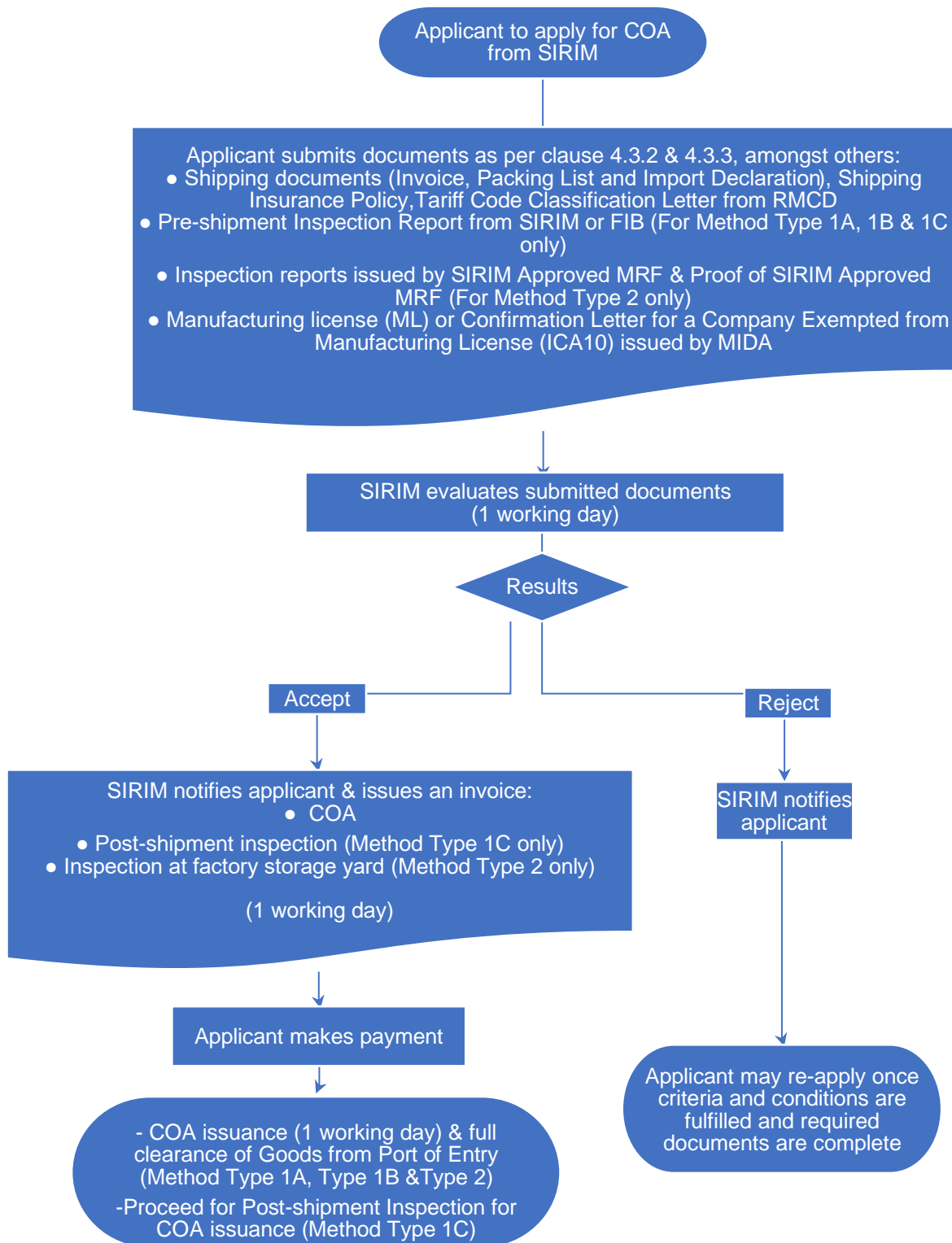
FLOWCHART 2: REGISTRATION OF FOREIGN INSPECTION BODY (FIB)



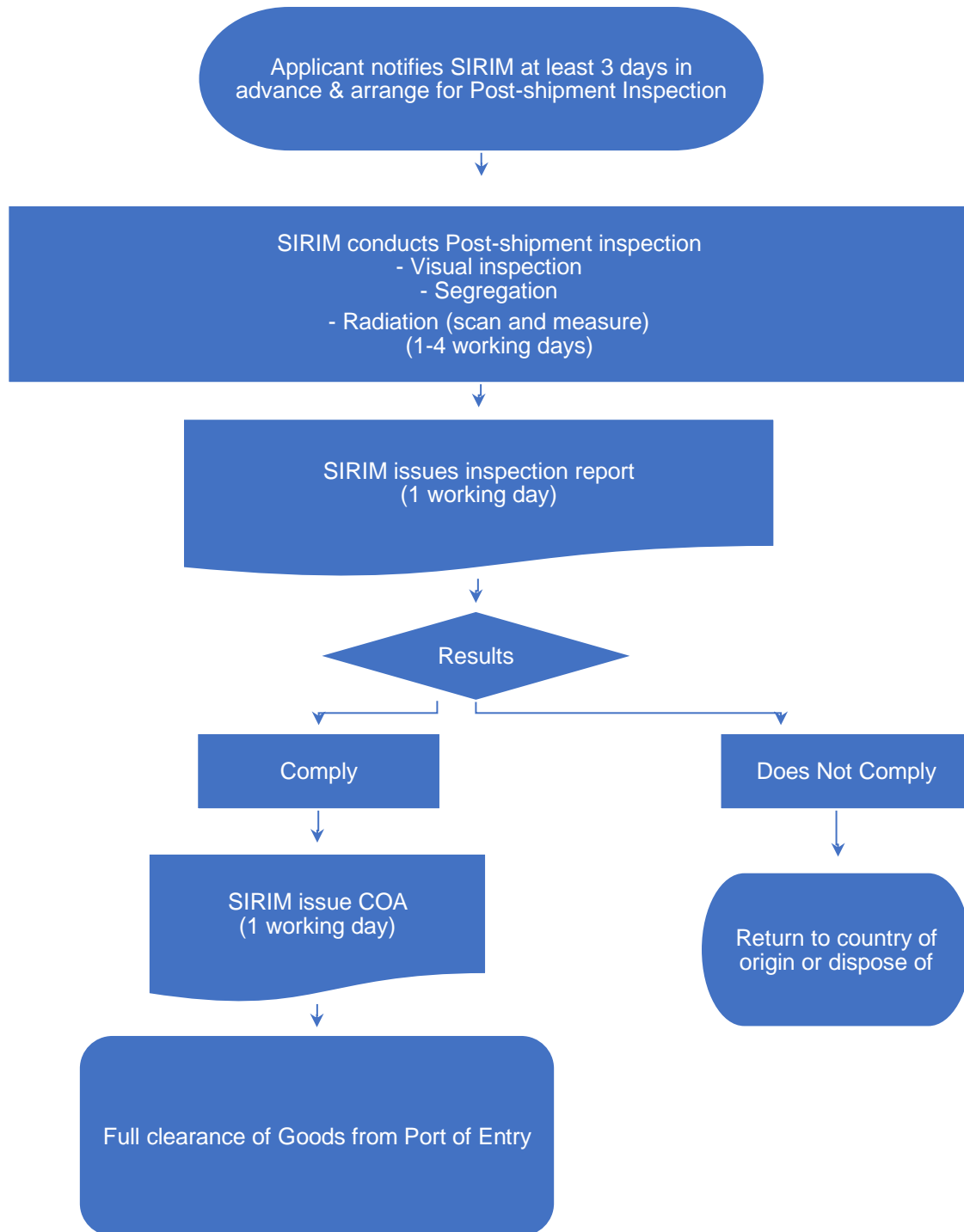
FLOWCHART 3: PRE-SHIPMENT INSPECTION (APPLICABLE FOR METHOD TYPE 1A, 1B AND 1C)



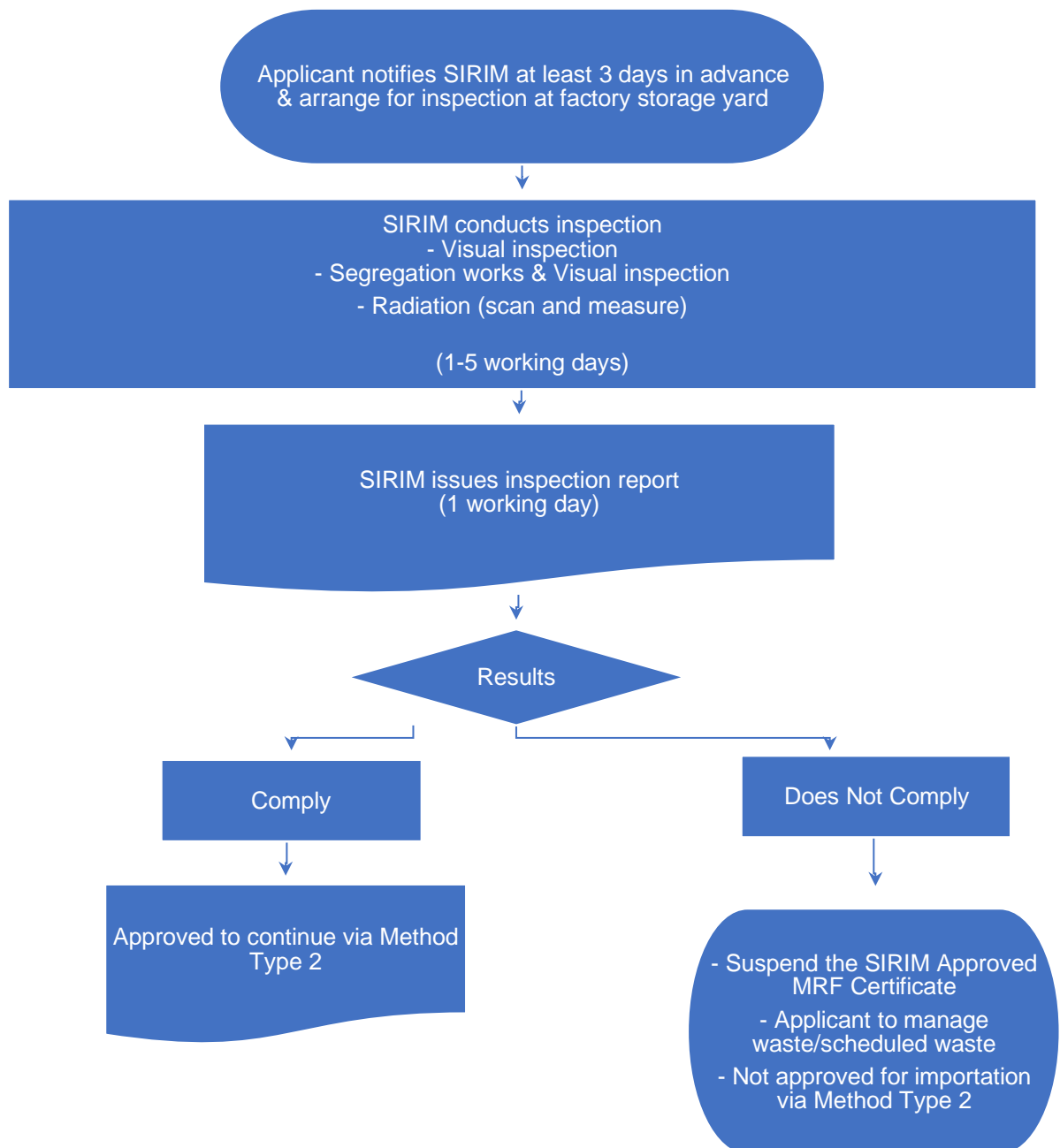
FLOWCHART 4: COA APPLICATION



FLOWCHART 5: POST-SHIPMENT INSPECTION FOR METHOD TYPE 1C ONLY



FLOWCHART 6: INSPECTION AT FACTORY STORAGE YARD (METHOD TYPE 2 ONLY)



SIRIM QAS International Sdn.Bhd.

SIRIM Complex No.1, Persiaran Dato' Menteri,
Section 2, P.O Box 7035, 40700,
Shah Alam, Selangor Darul Ehsan,
Malaysia

Tel: 603 5544 6400
Fax: 603 5544 6810
Email: cserviceqas@sirim.my
Website: www.sirim-qas.com.my