



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

PROGRAM *TOWNHALL* BERSAMA PIHAK BERKEPENTINGAN BAGI PELAKSANAAN PERATURAN-PERATURAN PERDAGANGAN STRATEGIK (PENGKOMPAUNAN KESALAHAN) 2022

12 MEI 2022

ISMAIL BAHAROM
PEGAWAI PERDAGANGAN STRATEGIK (PERUNDANGAN)
SEKRETARIAT PERDAGANGAN STRATEGIK



INTRODUCTION

Compounding of Offences



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY



2022
2022
P.U. (A)

WARTA KERAJAAN PERSEKUTUAN

*FEDERAL
GOVERNMENT GAZETTE*

PERATURAN-PERATURAN PERDAGANGAN STRATEGIK
(PENGKOMPANAN KESALAHAN) 2022

*STRATEGIC TRADE (COMPOUNDING OF OFFENCES)
REGULATIONS 2022*

DISIARKAN OLEH/
PUBLISHED BY
JABATAN PEHILAM NEGARA/
ATTORNEY GENERAL'S CHAMBERS

- In the context of law, compounding of an offence means an amicable settlement for the purpose of averting prosecution for an offence
- To settle an offence by a money payment, in lieu of prosecution

Compounding of Offences



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- **Where are we at?**
 - **The Regulations have been submitted to the Drafting Division, Attorney General's Chambers on 5 May 2022 for the gazette process.**
 - **The Regulations have been published in the gazette on 10 May 2022 and known as P.U. (A) 154/2022.**
 - **The Regulations are enforced on 1 June 2022.**



ENABLING PROVISION

➤ **Section 50A of STA 2010**

- Amendment inserted in 2017 via Act A1537
- To empower the Minister, with the approval of the Public Prosecutor, to make regulations prescribing any offence under Act 708 to be compoundable as well as criteria, method and procedure for compounding such offence. The proposed new section also seeks to empower the authorized officer to implements the compounding of such offences with the consent in writing of the Public Prosecutor

“Compounding of offences

50A. (1) The Minister may, with the approval of the Public Prosecutor, make regulations prescribing—

- (a) any offence under this Act and any regulations made under the Act that may be compounded;**
- (b) the criteria for compounding such offence; and**
- (c) the method and procedure for compounding such offence.**

(2) The authorized officer may, with the consent in writing of the Public Prosecutor, compound any offence committed by any person under this Act and prescribed to be a compoundable offence by making a written offer to the person suspected to have committed the offence to compound the offence upon payment to the authorized officer of an amount of money not exceeding fifty per centum of the amount of maximum fine for that offence within such time as may be specified in his written offer.

Enabling Provision



(3) An offer under subsection (2) may be made at any time after the offence has been committed but before any prosecution for it has been instituted.

(4) If the amount specified in the offer is not paid within the time specified in the offer or such extended time as the authorized officer may grant, prosecution for the offence may be instituted at any time after that against the person to whom the offer was made.

(5) Where an offence has been compounded under subsection (2), no prosecution shall be instituted in respect of the offence against the person to whom the offer to compound was made, and any items, strategic items and unlisted items together with any container, package, conveyance and other article in which the items, strategic items and unlisted items are stored, kept or found, record, book, account, document and computerized data seized in connection with the offence may be released or disposed of by the Controller in accordance with section 41, subject to such terms as he thinks fit.

(6) All sums of money received by the authorized officer under this section shall be paid into and form part of the Federal Consolidated Fund.”.

- **The Minister may, with the approval of the PP, make regulations prescribing the offence that may be compounded, the criteria and the method and procedure for compounding such offence.**
- **The authorized officers may, with the consent of the DPP, compound the prescribed offences.**
- **The maximum amount of compound that can be offered must not exceed 50% of the amount of maximum fine for such offence.**

- **Offer for compound can be made at any time after the offence committed but before prosecution is instituted.**
- **If the offer is not paid within specified time, prosecution for the offence may maybe instituted at any time after that against the person to whom the offer was made.**
- **Where an offence has been compounded, no prosecution shall be instituted in respect of such offence.**



COMPOUNDABLE OFFENCES

Compoundable Offences under STA2010



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No.	Subsections/Subpara Subregulations	Provisions	Punishments
1.	Subparagraph 9(4)(a)(ii)	Export, tranship or transit without permit	RM5 million – individual RM10 million – body corporate
2.	Subparagraph 9(4)(b)(ii)	Export, tranship or transit without permit	RM5 million – individual RM10 million – body corporate
3.	Subparagraph 9(5)(a)(ii)	Export, tranship or transit to restricted end user	RM5 million – individual RM10 million – body corporate
4.	Subparagraph 9(5)(b)(ii)	Export, tranship or transit to restricted end user	RM5 million – individual RM10 million – body corporate
5.	Subparagraph 9(6)(a)(ii)	Export, tranship or transit to prohibited end user	RM5 million – individual RM10 million – body corporate
6.	Subparagraph 9(6)(b)(ii)	Export, tranship or transit to prohibited end user	RM5 million – individual RM10 million – body corporate
7.	Subparagraph 12(4)(a)(ii)	Unlisted items & restricted activity	RM5 million – individual RM10 million – body corporate

Compoundable Offences under STA2010



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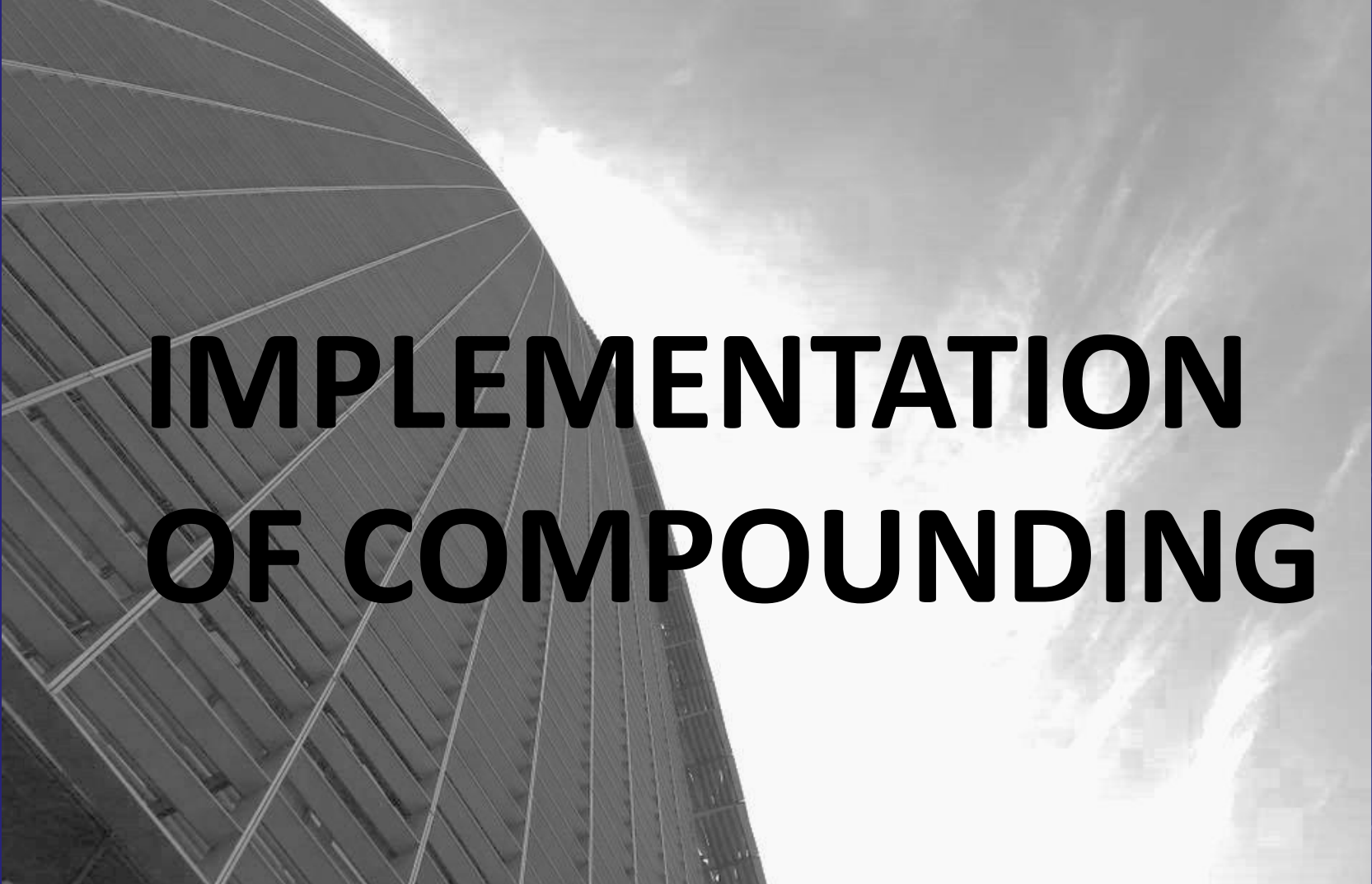
No.	Subsections/Subpara Subregulations	Provisions	Punishments
8.	Subparagraph 12(4)(b)(ii)	Unlisted items & restricted activity	RM5 million – individual RM10 million – body corporate
9.	Subsection 18(2)	Unauthorized use of permit	RM3 million – individual RM5 million – body corporate
10.	Subsection 21(3)	Suspension of permit or registration upon disqualification	RM10 million – individual RM20 million – body corporate
11.	Subsection 21(4)	Suspension of permit or registration upon disqualification	RM10 million – individual RM20 million – body corporate
12.	Subsection 23(2)	Endorsement on permit	RM1 million – individual RM2 million – body corporate
13.	Subsection 24(4)	Maintenance of documents and register	RM1 million – individual RM2 million – body corporate
14.	Subsection 40(1)	Offences with respect to information	RM1 million – individual RM2 million – body corporate

Compoundable Offences under STA2010



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No.	Subsections/Subpara Subregulations	Provisions	Punishments
15.	Subsection 40(2)	Offences with respect to information	RM1 million – individual RM2 million – body corporate
16.	Subregulation 3(2) of P.U.(A) 481/2010	Proliferation of WMD related offence	RM1 million



IMPLEMENTATION OF COMPOUNDING

- **Forms related:**
 - **Form 1 – Consent to Compound Offences**
 - **Form 2 – Offer to Compound Offences**
 - **Form 3 – Acceptance of Offer to Compound Offences**

Implementation of Compounding



FORM 1
[Subregulation 2(2)]

STRATEGIC TRADE ACT 2010
STRATEGIC TRADE (COMPOUNDING OF OFFENCES)
REGULATIONS 2021

CONSENT TO COMPOUND OFFENCES

IN exercise of the powers conferred by subsection 50A(2) of the Strategic Trade Act 2010 [Act 708] and subsection 376(3) of the Criminal Procedure Code [Act 593], I(name)..... give consent to compound(name of the person to whom the offer to compound is made) for the offence/offences committed under which is/are said to have been committed on (date) at (place)

Date:

.....
Public Prosecutor/
Deputy Public Prosecutor

Implementation of Compounding



MINISTRY OF
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FORM 2
[Subregulation 3(1)]

STRATEGIC TRADE ACT 2010
STRATEGIC TRADE (COMPOUNDING OF OFFENCES)
REGULATIONS 2021

OFFER TO COMPOUND OFFENCES

Reference no. :

Date :

.....
.....
.....

To:

.....
.....
.....

Implementation of Compounding



*Sir/Madam,

An investigation has been conducted against you

.....

.....

*(state name of *company/business/other body, if any)*

and you are found to have committed the offence under the Strategic Trade Act 2010 =

[Act 708]/regulations made under the Act with the following particulars:

Implementation of Compounding



- (a) relevant provision of the Act/
regulations :
- (b) date :
- (c) time :
- (d) place :
- (e) particulars of offence :

2. Pursuant to subsection 50A(2) of Strategic Trade Act 2010, with the written consent of the Public Prosecutor, you are offered a compound for the offence/offences stated above for the sum of RM
(..... ringgit only).

3. If the offer to compound is accepted, the payment shall be made—

- (a) by cash and the payment is handed over personally to the authorized officer;
- (b) by money order/postal money order/cashier's order/banker's cheque/bank draft crossed with the words "Account Payee Only" made payable to the authorized officer and sent by hand or by prepaid registered post to the following address:

Implementation of Compounding



(c) through an electronic fund transfer to the following account:

.....

4. An official receipt shall be issued on receipt of the payment of the compound.
5. This offer to compound shall be valid until

6. If no payment is received within the period referred to in paragraph 5, the prosecution for the offence referred to in paragraph 1 may be instituted against you without further notice.

.....

Authorized officer

Name:

Date:

Official stamp:

** Delete whichever is inapplicable*

Implementation of Compounding



FORM 3
[Regulation 4]

STRATEGIC TRADE ACT 2010
STRATEGIC TRADE (COMPOUNDING OF OFFENCES)
REGULATIONS 2021

ACCEPTANCE OF OFFER TO COMPOUND OFFENCES

To:

.....
.....
.....

*Sir/Madam,

I refer to the Offer to Compound Offences form bearing the reference number
..... dated

Implementation of Compounding



2. I accept the offer to compound and enclose is the payment by *cash/money order/postal money order/cashier's order/banker's cheque/bank draft crossed with the words "Account Payee Only" made payable to the authorized officer or through an electronic fund transfer for the sum of RM..... (..... ringgit only) as full settlement of the sum stipulated in paragraph 2 of the Offer to Compound Offences form.

Signature :
Name (*in capital letter*) :
*Identification Card Number/ :
Passport No. :
Designation (*if applicable*) :
For and on behalf :
(*if applicable*) (*name *company/business/other body*)

Implementation of Compounding



*Company Seal/ Business Stamp of

other body* (if applicable) :

Registration No./
Licence No./
Permit No.* (if applicable) :

Address :

.....

Date :

** Delete whichever is inapplicable*

FOR OFFICE USE
Payment Date:
Official Receipt No.:

Related Information Link



Any feedback and comments on this subject as well as request for an appointment can be sent to admin.sts@miti.gov.my

STS awareness video is available via:-
https://www.youtube.com/watch?v=z-Sr2g_xmyg&t=98s

For more information, please visit
www.miti.gov.my ;
www.mcmc.gov.my;
<http://portal.aelb.gov.my/sites/aelb>





Q & A



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Our Agencies



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