



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

---

# ***STRATEGIC TRADE (COMPOUNDING OF OFFENCES) REGULATIONS 2020***

---

**RIDZUAN ALIAS | ICP ENHANCEMENT OUTREACH  
17 OCTOBER 2019 | MITI TOWER, KL**



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

# COMPOUNDING OF OFFENCES REGULATIONS

Background

STA Amendment:  
Compounding of Offences

Public Consultation



**MITI**  
MALAYSIA





# COMPOUNDING OF OFFENCES REGULATIONS

Background

STA Amendments

Dialogue Session

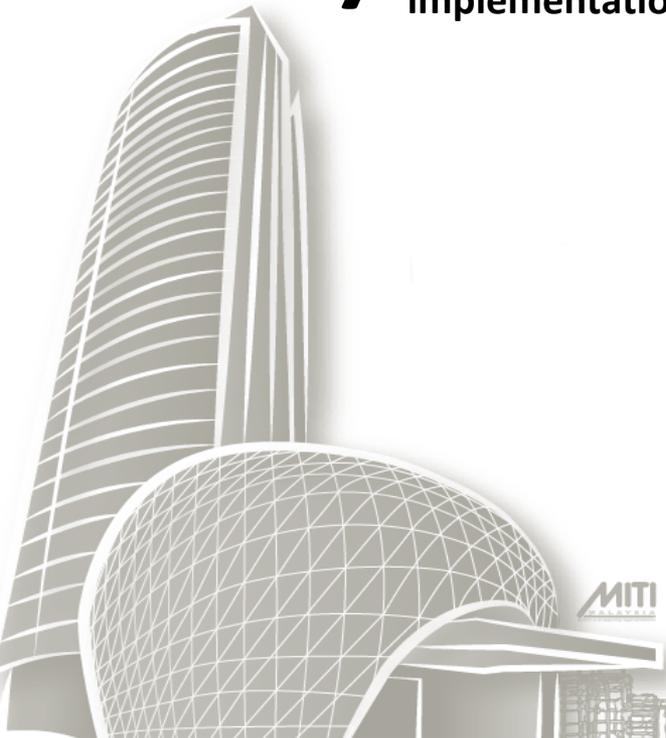
**7** years after the implementation

**REVIEW**



Good Regulatory Practice –  
Regulatory Impact Analysis  
(GRP-RIA)

**STA  
(AMENDMENT)  
2017**





# COMPOUNDING OF OFFENCES REGULATIONS

Background

STA Amendments

Dialogue Session

**KEY  
ELEMENTS**

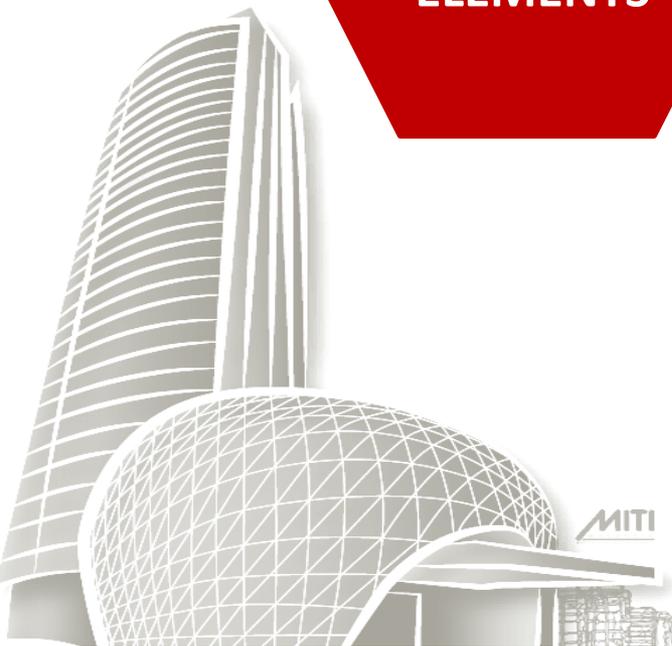
Brokering

Authorized  
officers

**Compounding  
of  
offences**

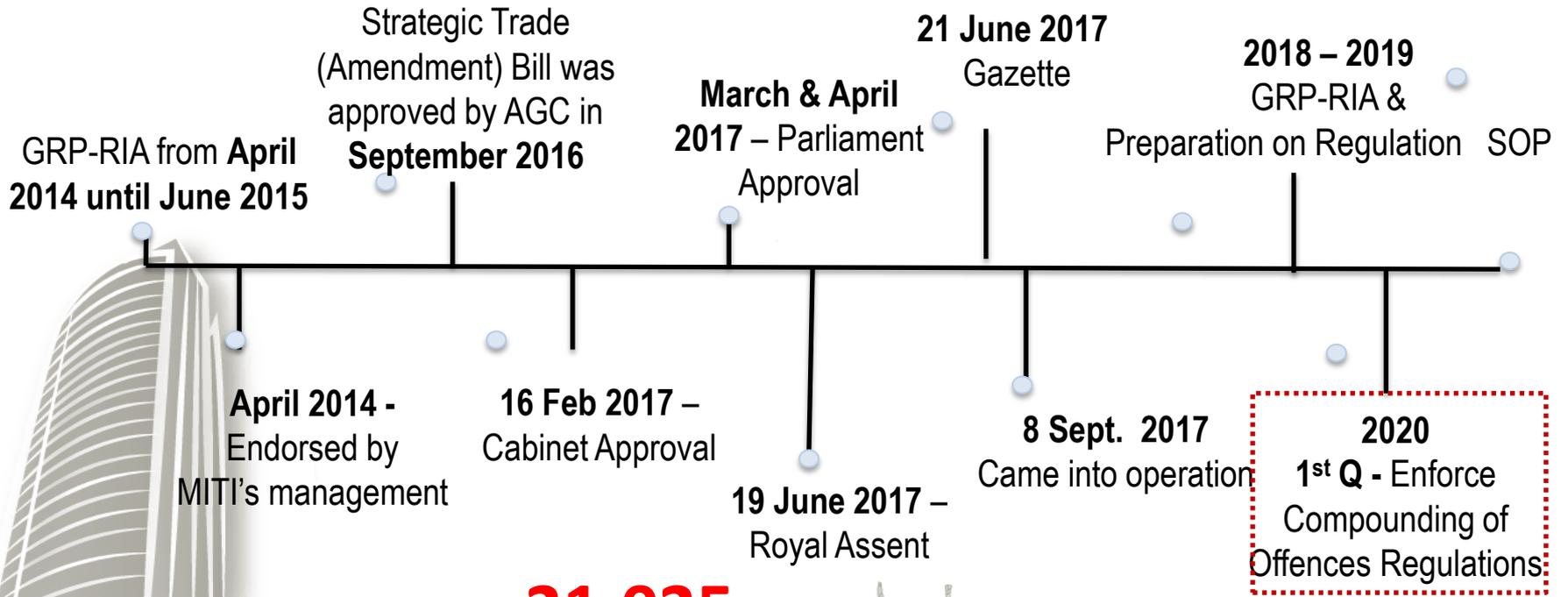
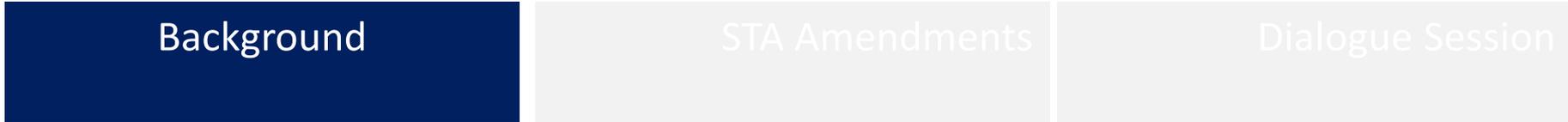
EUS  
Flexibility

Presumption  
of export



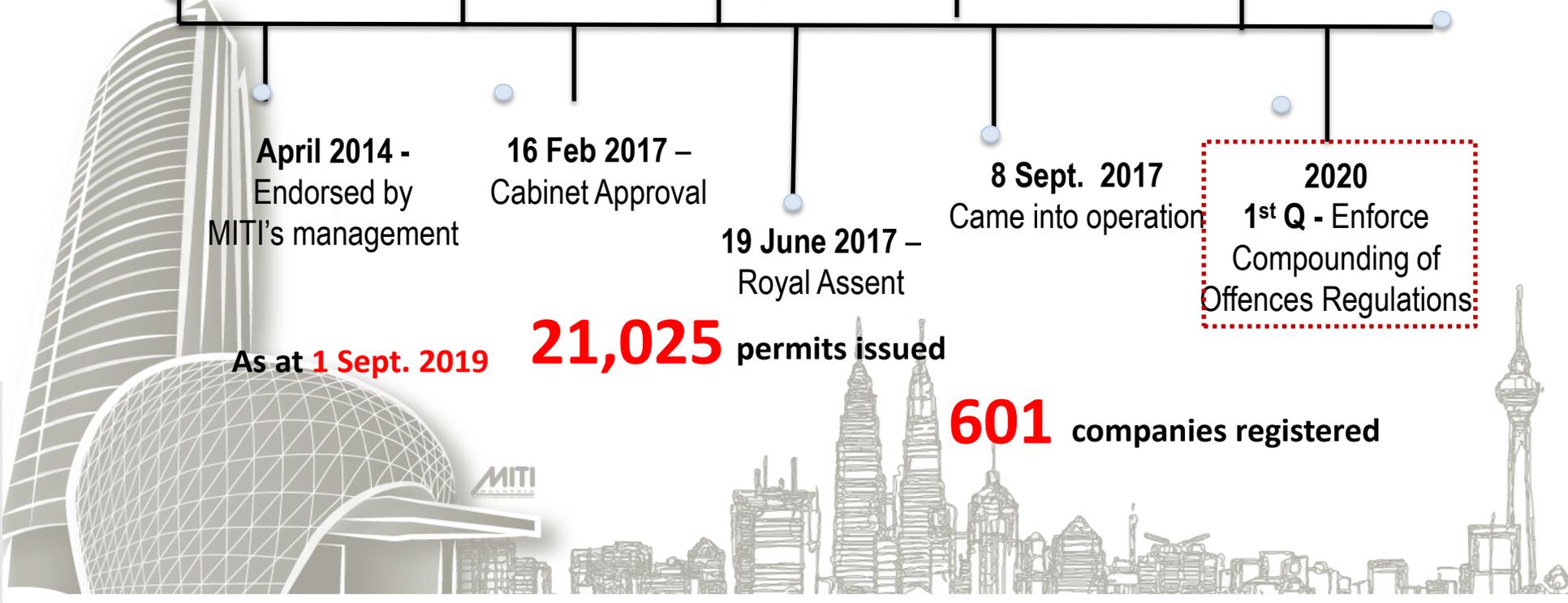


# COMPOUNDING OF OFFENCES REGULATIONS



As at **1 Sept. 2019** **21,025** permits issued

**601** companies registered





## COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

STA Amendment:  
Compounding of Offences

Dialogue Session

- the penalty (fine and imprisonment) prescribed for the offences committed under STA Amendment 2017 has been amended. The previously minimum penalty is now being prescribed as the maximum.
- **compounding of offences** is introduced.
- **more in line** with **international practice** and other export control laws which makes Malaysia more competent and may increase FDI into the country.
- reducing the time and costs of prosecuting the offences in court.

### Related Sections

- 9, 10, 18, 21, 23, 24, 33, and 40 and the introduction of a new section, 50A.



## COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

STA Amendment:  
Compounding of Offences

Dialogue Session

### “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.



# COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

Dialogue Session

Public Consultation

## OBJECTIVES

Strengthening the enforcement activity

Effective implementation of STA 2010

Increase trade compliance

Enhance business confidence in Government

Cost and time saving in the enforcement of STA





# COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

Dialogue Session

Public Consultation

COMMUNICATION PLAN

Awareness program, Town hall session, sharing of updates in Outreach Programme and Client's Day

ENFORCEMENT PLAN

STA Audit Evaluation, Document Checking (Declarations) at the point of Export and Free Commercial Zones

MONITORING & INSPECTION PLAN

Offender will be monitored (under watch list) and the effectiveness of the implementation will be reviewed in 5 years

**IMPLEMENTATION PLAN**  
Strategic Trade (Compounding of Offences) Regulations 2020



## COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

Dialogue Session

Public Consultation

Online via Unified Public Consultation - <http://upc.mpc.gov.my>

To begin feedback to the agency, the user must register an account. The user can register by clicking on 'Guest' in the 'Home' page.

Unified Public Consultation

Home

Show Consultations of All Stages

All Agencies All Categories Consultation Title

Ongoing Consultations 3

Trending Consultations 3

Consultations Due in 7 Days 1

Completed Consultations 0



# COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

Dialogue Session

Public Consultation

<http://upc.mpc.gov.my>

Then click on 'Sign Up' in the 'Login' page.

The screenshot shows a login form with the following elements: a 'User Name' text input field, a 'Password' text input field, a 'User Role' dropdown menu, a 'Remember Me' checkbox, a 'Login' button, a 'Sign Up' button (highlighted with a red oval), a 'Login with Facebook' button, a 'Login with Google' button, and a 'Forgot Password' link.

It will then redirect user to the simple 'Sign Up' page. Fill in all the required details and click on 'Sign Up'.



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

# COMPOUNDING OF OFFENCES REGULATIONS

Opening Remarks

Dialogue Session

Public Consultation

<http://upc.mpc.gov.my>

Peraturan-Peraturan Perdagangan Strategik  
(Pengkompunan Kesalahan) 2020



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

From **Ministry of International Trade & Industry**

Period

Stage **Forum**

Category **Administration /  
Services /  
Development**





## MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

# Thank You

### MENARA MITI

No. 7, Jalan Sultan Haji Ahmad Shah, 50480 Kuala Lumpur, Malaysia  
Tel: 603-8000 8000 | Fax: 603-6206 4693 | Email: [webmiti@miti.gov.my](mailto:webmiti@miti.gov.my) | Website: [www.miti.gov.my](http://www.miti.gov.my)



[www.miti.gov.my](http://www.miti.gov.my)



 MITIMalaysia

 mitimalaysia

 MITIMalaysia

 MITIMalaysiayoutube