

**CIRCULAR ON MOVEMENT OF STRATEGIC/ UNLISTED ITEMS BETWEEN
PRINCIPAL CUSTOMS AREA AND A FREE ZONE, LABUAN, LANGKAWI OR TIOMAN**

Under subsection 9(1) of the Strategic Trade Act 2010(STA), export* of any strategic items from Malaysia requires a permit issued under the STA. With regard to unlisted items**, subsection 12(3) states that the relevant Authority may allow export of unlisted items subject to the granting of permit under the Act.

2. Any movement of strategic goods/ unlisted items between Principal Customs Area and a free zone***, Labuan, Langkawi or Tioman **is not considered as an export because it occurs within Malaysia**. Therefore, in this situation, exporters/ companies should tick '**NO**' box in the mandatory field of the Royal Malaysian Customs K2 and K8 Forms when declaring such movement of strategic goods/ unlisted items for the purpose of validation of permit in Sistem Maklumat Kastam.

Note : *"export" is defined under section 2 of the STA as -

- (a) to take or cause to be taken out of Malaysia any items by land, sea or air, or to place any items in a conveyance for the purpose of such items being taken out of Malaysia by land, sea or air; or
- (b) to transmit technology by any means to a destination outside Malaysia, and includes any oral or visual transmission of technology by a communications device where the technology is contained in a document the relevant part of which is read out, described or otherwise displayed over the communications device in such a way as to achieve a similar results.

**"unlisted items" is defined under section 2 of the STA as items that may be used in a restricted activity but are not prescribed as strategic items under section 7 of STA.

***"free zone" is defined under section 2 of the Free Zones Act 1990 [Act 438] as any part of Malaysia declared under the provisions of subsection 3(1) of the Act to be a free commercial zone or a free industrial zone.

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