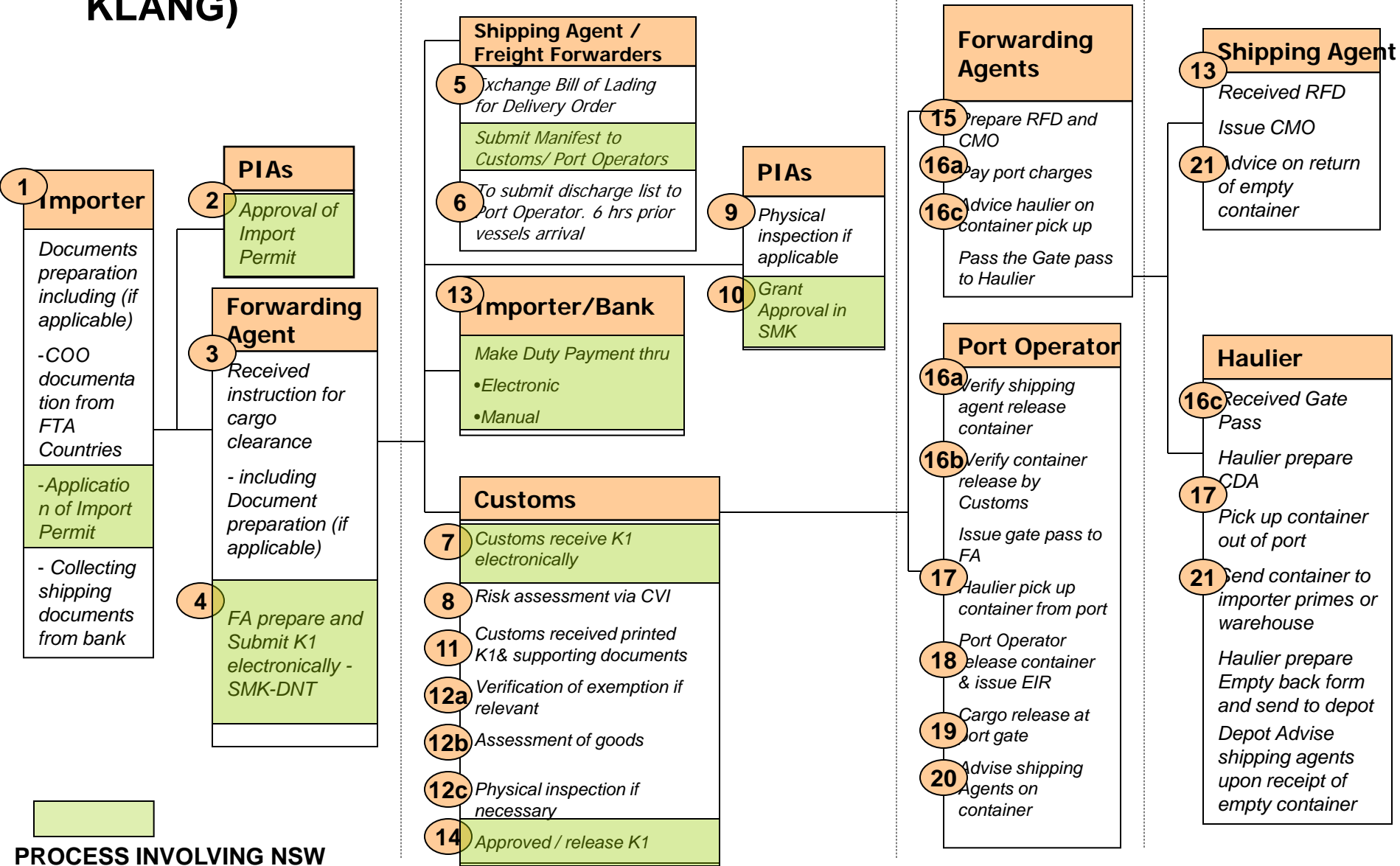


II. IMPORT FLOW FOR FULL CONTAINER LOAD (PORT KLANG)



PROCESS INVOLVING NSW SYSTEM

A: Documents Preparation	B: Customs Clearance & Tech Control	C: Ports & Terminal Handling	D: Inland Transportation & Handling
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II b. IMPORT TIMING

A	B	C	D	Total	Source
Documents Preparation	Customs Clearance & Technical Control	Ports & Terminal Handling	Inland Transportation & Handling		
9 days	1 day	2 days	2 days	14 days	MALAYSIA by World Bank
2 days	1 day	1 1/2 day	1- 2 days	5 1/2 – 6 1/2 days	MPC/DNT/OTHERS
3 days	1-2 days ^a	2 days ^b		2 days	8 – 9 days

Note:

a	Depending on availability of SMK Dagang Net system
b	Including inspection by PIAs

No	Process Flow	Document	Process time	Cost
1	<p>Importer prepares necessary documents, including :</p> <ul style="list-style-type: none"> -COO documentation from FTA Countries (if applicable) -Collecting shipping documents from banks (if applicable) - Apply import permit from PIAs if applicable 	<p>COO</p> <p>Shipping Documents</p> <p>Import permit</p>	<p>3 Working Days</p> <p>3 Working Days</p> <p>Pre-arrival</p>	
2	PIA approve Import Permit (if applicable) (note: 19 PIAs are electronic, of which 15 are paperless and 3 will be onboard)	Import Permit		RM 10 (DNT) PIA's own Fees
3	<p>Importer instructs forwarding agent to clear cargo (together with supporting documents such as bill of lading, permit, invoice & packing list)</p> <p>FA perform Document preparation if instructed by Importer</p>	<p>Bill of lading</p> <p>Permit</p> <p>Invoice</p> <p>Packing list</p>	1 day (all documents in order and for normal clearance)	No cost
4	Forwarding agents submit K1 electronically (CUSDEC) through SMK-DNT interface.	<i>K1</i>	Preparation : 1 hr	

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No	Process Flow	Document	Process Time	Cost
5	<p>Forwarding agent obtains delivery order (DO), including from shipping agent (that is, exchange Bill of Lading for DO).</p> <p>Shipping agent sends manifest to port operator and Customs within 24 hours of arrival of vessel, in accordance with Section 52, Customs Act. In practice, they are allowed to submit much earlier</p>	<p>Delivery order</p> <p>Manifest</p>	<p>20 mins</p> <p>Pre-arrival</p>	<p>Collection of DO charge – P.Klang free</p> <p>Klang – RM30 per DO</p> <p>Shah Alam – RM50</p> <p>Subang and Petaling Jaya – RM80- document fee</p> <p>Others - RM 100</p> <p>RM80 per B/L (RM130 for Freight Forwarders – Agency Fee)</p> <p>EDI fee (RM30) per B/L</p>
6	Shipping agents submits Discharge list to Port Operator , 6 hours prior to vessel arrival	Discharge List	Pre-arrival	No cost
7	Customs computer system automatically processes & registers K1 and sends response back to forwarding agent with registration number	K1 form	Response Time : 5 – 20 min	<p>K1 : RM 0.60 per set</p> <p>EDI charges: RM 1.20 per kB (RM 5 per K1)</p> <p>Forwarding charges : RM 120 – RM 160 per container</p>
8	Risk assessment on K1 done by Customs Verification Initiative (CVI) Unit at Customs Headquarter to identify high risk consignments.	-	<p>Electronic : -</p> <p>Manual : 5 min</p>	<p>Process of doing- no cost</p>

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No	Process Flow	Document	Process Time	Cost
9	Forwarding agent informs OGA of the arrival of container & that the approval of the import permit has been approved OGA physical inspection done after customs clearance	K1 form	OGA inspection time : 30 min	Movement charge (RM130/200) RM10 per box (Labour charge)
10	If no physical inspection, OGA will grant approval in SMK.	K1form, PIA Permit	2 - 5 min	No cost
11	Customs receives Form K1 and supporting documents for Customs clearance. a) Basic supporting documents : invoice, packing list and Delivery Order (no D/O in case of EDO). b) Other supporting documents such as permit, Certificate of Origin, CJ5/CJ5A depending on transaction type. (Applicable to parallel transactions only – not applicable in Paperless)	K1 form Invoice Packing List Delivery Order Permit COO CJ5/CJ5A BG/G Bond	2 – 5 min	No cost
12a	For those consignments claiming Treasury/LMW exemption, K1 and supporting documents have to be submitted to Import Branch, North Port for the verification of exemption.	K1, Treasury Exemption Letter	15 - 30 min depending on number of items	No cost
12b	Assessment of goods by Senior Customs Officer to determine duties/taxes payable which includes the following processes : a) Verification of particulars declared against supporting documents; b) Instruction for physical inspection if necessary; c) Classification/Valuation; d) Approval/Release.	K1 form Invoice Packing List Delivery Order Permit COO CJ5/CJ5A	5 - 20 min	No cost

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No	Process Flow	Document	Process Time	Cost
12c	Physical / CVI inspection involves the following processes : a) Preparation for inspection such as submitting SSR to port operator, moving container to inspection bay and engaging “carpenter” to open container. b) Actual physical /CVI inspection * CVI if applicable	K1 form Invoice Packing List	a) Preparation : 1 – 2 hour b) Actual inspection : 1-2 hour	EMC charges: 20' : RM 65 40' : RM 100 Labour fee : RM 10 – RM 30
13	Forwarding agent pays import duty on behalf of Importer via : a) Electronic Fund Transfer (which is only available during banking hours); b) Duty Net (24 x 7, through CIMB); or c) Manual (through cheque or bank draft)	EFT Message : PAYORD, CREMUL, CREADV Manual: bank draft or cheque	a) EFT : 20- 60 min (different from Bank to Bank) b) Duty Net : Real time Basis c) Manual : 30 min	EFT charges for EFT : RM 8.00 per transaction Actual charge: Rm15 per transaction
14	Customs receipts the K1 and Senior Customs officer signs off the K1 form to authorize release of cargo. (Applicable for parallel transactions) If paperless transaction: a) Auto-release after payment of duty/tax; b) Printing of Customs Official Receipt (COR)	K1 form COR	2 - 5 min	
15	Forwarding agent prepare Request For Delivery (RFD) and submit to Shipping agent. Shipping agent will advise on Container Movement Order (CMO) to indicate where the empty container is to be returned to. Forwarding agent send RFD to Haulier. (Applicable to parallel transactions only – not applicable in electronic)	RFD CMO		

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No	Process Flow	Document	Process Time	Cost
16a	Port Operator verifies that shipping agent has released container through Delivery Order or Electronic DO (EDO) Forwarding agent pay port charges to Port Operator. Supporting document required is port pass / Mykad for biometric verification	<i>Delivery Order</i> <i>Electronic DO</i>	1-2 mins 10-15 secs	No cost
16b	Port Operator verifies that the container has been released by Customs. Verification of release is based on Customs GCS release or release made in port system by Customs officer (manual) Port Operator issues Gatepass/ EIR (Equipment Interchange Receipt) to Forwarding Agent	Customs GCS Release Gate-pass/EIR	10-15 secs 2 mins	No cost
16 c	FA then advise the haulier/transport company to pick the container and passes the Gate pass to the haulier. Haulier then book window hour of collection through port system	Gate-pass/EIR Online	1 hour 1 min	No cost
17	Haulier/Transport company picks the container out of yard /interchange	Gate-pass/EIR	20-40 mins	No cost
18	Port operator releases container out of port and issues EIR (Equipment Interchange Receipt) to Haulier/transport company	Gate-pass/EIR	5 mins	No cost
19	Customs and Port operator check documents (K1 form, EIR & permit) for release at the gate from haulier	Gate-pass/EIR	30-60 secs	No cost
20	Port operator advise shipping agents when container is delivered to haulier/ transport company	<i>EDI CODECO</i> <i>or online report</i>	30 – 60 mins (hourly)	No cost

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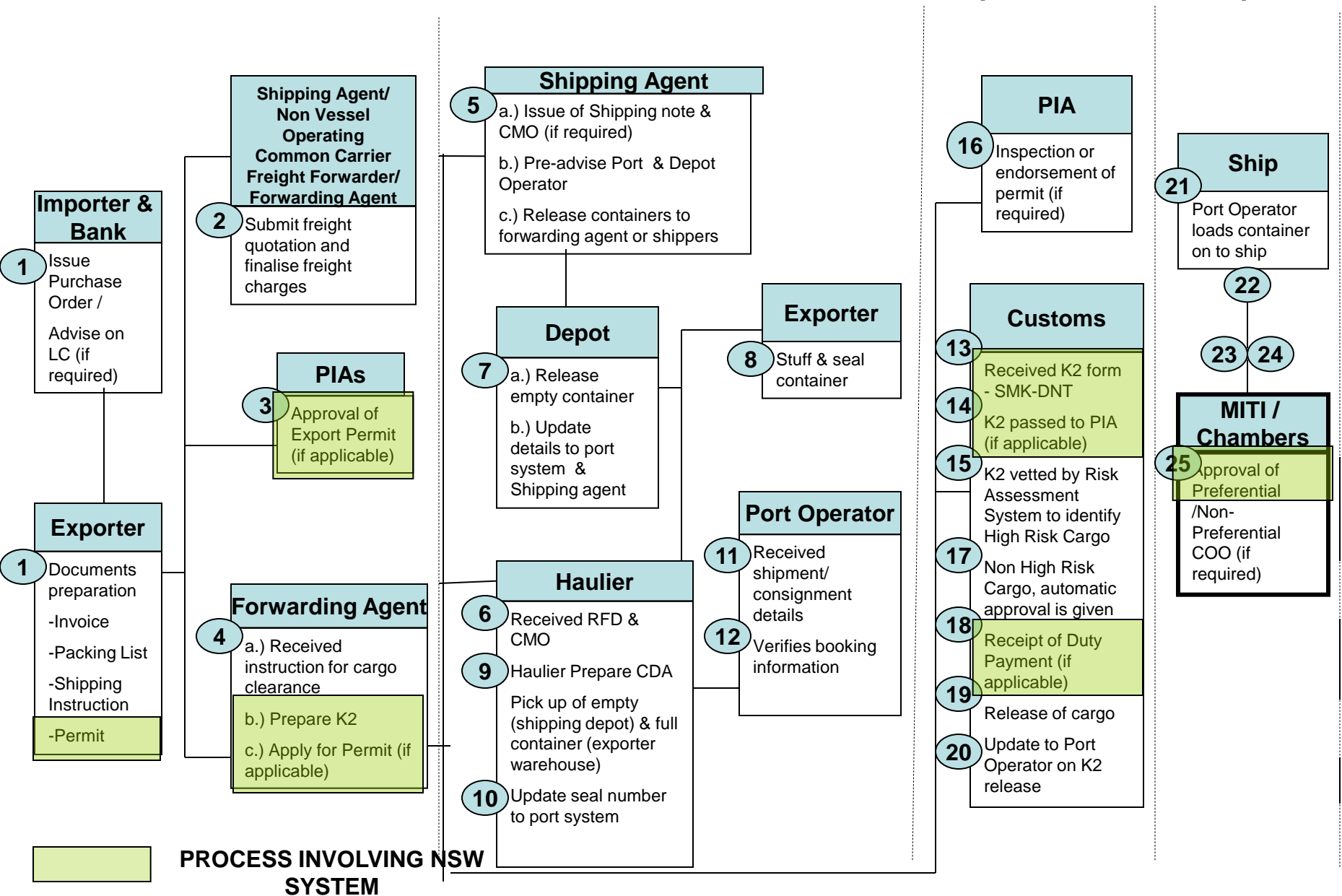
No	Process Flow	Document	Process Time	Cost
21	<p>Haulier/Transport company sends container to Importer premises or warehouse (this can be immediately upon pick-up, or Haulier may send the container to their own warehouse first)</p> <p>Haulier returns empty container to pre-designated depot</p> <p>Depot Advise shipping agents upon receipt of empty container</p>	<p>CDA</p> <p>Empty Back Form</p>	<p>24 hrs</p> <p>24 hrs</p>	

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Legend (Export and Import Flow):

- PIAs - Permit Issuing Authorities
- CMO- Container Movement Order
- RFD- Request For Delivery
- K2 Form- Customs declaration form for export
- K1 Form- Customs declaration form for import
- DNT- Dagang Net Technologies (e-service provider)
- SMK-DNT- Electronic data interchange system used by Customs for export declaration
- CEPT- Common Effective Preferential Tariff
- FMM- Federation of Malaysian Manufacturers

I. EXPORT FLOW FOR FULL CONTAINER LOAD (PORT KLANG)



A: Documents Preparation

B: Inland Transportation & Handling

C: Customs Clearance & Tech Control

D: Ports & Terminal Handling

No	Process Flow	Document	Process Time	Cost
1	<p>Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)</p> <p>Exporter prepares commercial invoice, packing list & shipping instruction (after the order is confirmed)</p> <p><i>*Shipping booking can be done in advance</i> <i>*Shipping instruction when all details are available</i></p>	<p>Purchase Order Letter of Credit</p> <p>Invoice Packing list Shipping instruction</p>	<p>2 Working Days (LC Advise)</p> <p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	
2.	<p>Submit freight quotation and finalise freight charges with shipper.</p> <ul style="list-style-type: none"> - Receive and accept booking from shipper. - Provide shipper with booking confirmation. <p><i>*Freight quotation and frieght charges can be done in advance</i></p>	<p>Freight Quotation Shipping instruction</p>		
3.	<p>PIA approves export permit (if applicable)</p>	<p>Export permit</p>		
4.	<ul style="list-style-type: none"> a.) Exporter books container with shipping agent through forwarding agent b.) Prepare K2 Form c.) Apply for Export Permit from PIA (if applicable) <p><i>* Export Permit can be done in advance</i></p>	<p>Export permit</p>	<p>Overall – 2 days</p>	

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No	Process Flow	Document	Process Time	Cost
5.	<p>a.) Shipping agent sends Container Movement Order (CMO) to Forwarding Agent,</p> <p>b.) Booking pre-advise is sent to port operator and depot operator</p> <p>c.) Release containers (depot location, size/type and volume) to forwarding agents and shippers.</p>	CMO	2 hours (Documentation subject to office hours. Operation is 24 hrs)	
6.	Forwarding agent prepares Request For Delivery (RFD) and submits it to haulier/transport company together with CMO (24 to 48 hours before pick up date for haulier to plan). Depots release empty container to haulier.	RFD CMO	24 hours <i>(Subject to normal Office hours if other circumstances, 3 days)</i>	
7.	<p>a.) Haulier picks up empty container & delivers it to exporter's premises</p> <p>b.) Depot updates container number to booking in Port system and shipping agent.</p>	nil	24 hours <i>(Subject to normal Office hours if other circumstances, 3 days)</i>	
8.	Exporter stuffs the container, seals and informs haulier to pick up the container	nil	1 day	

B

No	Process Flow	Document	Process Time	Cost
9.	Haulier picks up stuffed container and delivers it to port Haulier prepare Container Dispatch Advice (CDA) Form	CDA Form	24 hrs	
10.	Update seal number to port system	nil	Overall under 24 hrs	
11.	Port Operator receive shipment/consignment details as export pre-advise through online or EDI	nil	1 mins	
12.	Port operator verifies the container details and accepts container at gate. The container is stacked in the container yard based on declared export vessel	Export pre-advise details	5 mins	

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No	Process Flow	Document	Process Time	Cost
13	FA submits electronic K2 form (through SMK-DNT), (it takes around 1 hour to prepare a K2 for 10 items, transmit and receive customs response with registration number)	K2 form	1 hr	
14	K2 is channeled by Customs to PIAs if required Inspection or endorsement of permit by PIA (if applicable)		8 hrs (if inspection required)	
15.	K2 declaration is electronically processed by Customs after approval is given by PIA			
16.	K2 declaration is vetted by Risk Assessment System and 'High Risk' Cargo will be identified for control procedure (documentary check, inspection by scanning or physical inspection)			
17.	For non-high risk cargo, automatic approval is given			
18.	Payment of duty, where applicable is received electronically			

C

No	Process Flow	Document	Process Time	Cost
19.	Release is given automatically after full payment of Duty is received by Customs			
20.	K2 release information is transmitted to Port Operator by Customs		Note: Total time for C – 1 day average – Customs (10-15 minutes)	
21.	Port operator receive electronic release for release of container from GCS/SMK or Port system release based on hard-copy K2 (if, necessary)	GCS Release K2 Document	30 mins	
22.	Shipping agent sends export manifest to Custom (within 7 days after vessel departure) and received by Customs	Manifest	5 days	





No	Process Flow	Document	Process Time	Cost
23.	Shipping agent advises shipping & freight charges to shipper and/or forwarding agents	Freight Invoice		
24.	Forwarding agent pays shipping & freight charges on behalf of exporter & collect B/L to include Shipper /Forwarding agents	Bill of Lading		
25.	Exporter applies for Certificate of Origin if applicable: I)preferential (e.g. CEPT) from MITI II)non-preferential from Chamber of Commerce	Certificate of Origin - Invoice / PL / BL/ K2 required when applying for CO		

D

*** Time taken for processes 22 to 25 are not measured as only internal processes once ship has departed**

Legend (Export and Import Flow):

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