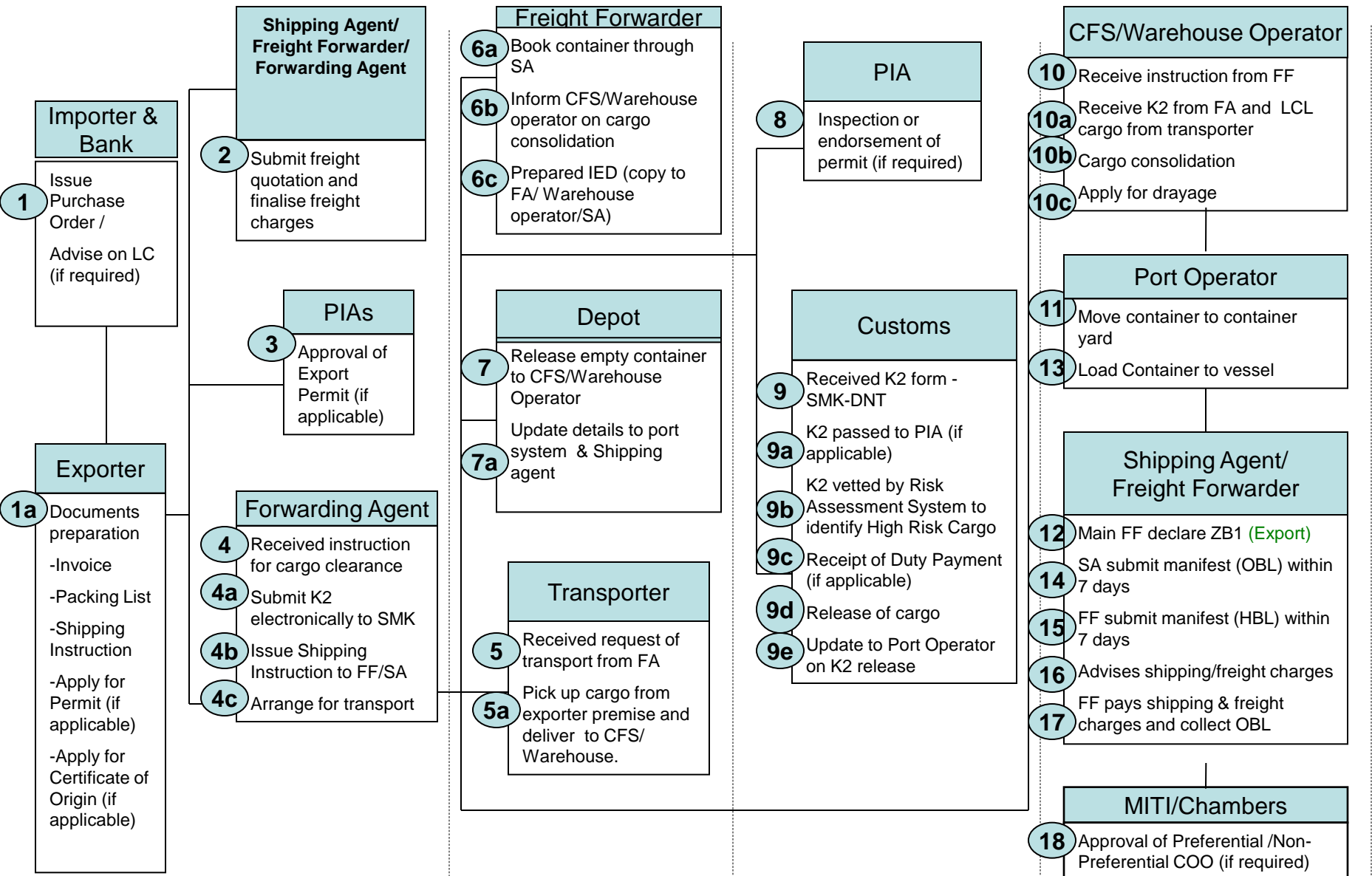


EXPORT FLOW FOR LCL CARGO (PORT KLANG) console cargo

Attachment 1A



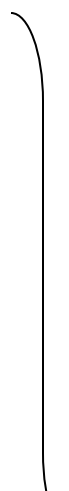
A: Documents Preparation

B: Inland Transportation & Handling

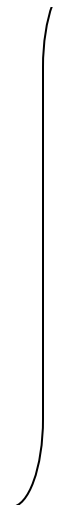
C: Customs Clearance & Tech Control

D: Ports & Terminal Handling

No	Process Flow	Document	Process Time	Cost
1	Importer issues purchase order to exporter. An LC advise is issued by the bank (for applicable shipments)	- Purchase Order - Letter of Credit	2 Working Days (LC Advise)	
1a	<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><i>- Apply for Export Permit from PIA (if applicable) – can be done in advance.</i></p> <p><i>- Exporter applies for Certificate of Origin if applicable:</i></p> <p><i>i. preferential (e.g. CEPT) from MITI</i></p> <p><i>ii. non-preferential from Chamber of Commerce</i></p>	<p>- Invoice - Packing list - Shipping instruction</p> <p><i>- Export Permit</i></p> <p><i>- COO</i> <i>- Invoice / PL / BL/ K2 required when applying for COO</i></p>	<p>1 Day (Document Preparation)</p> <p>Overall – 2 days</p>	
2.	<p>Submit freight quotation and finalise freight charges with shipper.</p> <p>- Receive and accept booking from shipper. - Provide shipper with booking confirmation.</p> <p><i>*Freight quotation and frieght charges can be done in advance</i></p>	Freight Quotation Shipping instruction	1 Day	
3.	PIA approves export permit (if applicable)	Export permit		No cost



A



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No	Process Flow	Document	Process Time	Cost
4	Forwarding agent receives instruction from exporter for cargo clearance	Export permit	Overall – 2 days	No cost
4a.	Prepare K2 Form and submit to Customs through SMK-DNT Net interface	Invoice Packing list	Response Time : 5- 20 min	EDI charges: RM 0.88 per KB RM30
4b.	Issue shipping instruction to Freight Forwarder or Shipping Agent		20 min	
4c.	Forwarding Agent arranges for transport by submitting request of transport to transport company		10 min	
5.	Freight Forwarder books container through Shipping Agent		5 min	
5a.	Freight Forwarder informs CFS/Warehouse operator on cargo consolidation		10 min	
5b.	Freight Forwarder prepares IED with copy to Forwarding Agent, CFS/Warehouse operator and Shipping Agent (4 copy of IED)		20 min	
6	Transport company receives request of transport from Forwarding Agent		10 min	
6a.	Lorry driver picks up cargo from Exporter's premise and delivers to designated CFS/Warehouse.		4 hours	

} A

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3

No	Process Flow	Document	Process Time	Cost
6b.	F.F Inform CFS/Warehouse operator on cargo consolidation			
6c.	F.F Prepared IED (copy to FA/ Warehouse operator/SA)			
7.	Haulier picks up empty container from Depot & delivers it to CFS/Warehouse		2 hours	
7a	Depot updates container number to booking in Port system and shipping agent.		10 min	
8	The relevant government agency will carry out cargo inspection or endorsement of the export permit if required.	K2 Export Permit	8 hrs (if inspection required)	
9.	Customs receives printed K2 declaration and supporting documents from Forwarding Agent. Supporting documents : invoice, packing list and IED. (Applicable to parallel transactions only – not applicable in Paperless)	K2 Invoice, Packing List IED Export Permit	2-5 min	No Cost
9a.	K2 is channeled by Customs to PIAs if required. Inspection or endorsement of permit by PIA (if applicable)	K2 Export Permit	2 – 5 min	No cost

C

No	Process Flow	Document	Process Time	Cost
9b.	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)	K2	Electronic : Nil Manual : 5 min	No Cost
9c.	Payment of duty or cess, where applicable , either by Electronic Fund Transfer or manual	K2 Bank draft Cheque	EFT : 20- 60 min	EFT charges : RM 8.00 per transaction
9d.	Approval/Release is given automatically after full payment of Duty is received by Customs	K2 COR (Paperless)	2-5 min	No Cost
9e.	K2 release information is transmitted to Port Operator by Customs	-	30 min	No Cost
10.	CFS/Warehouse Operator receives instruction from Forwarding Agent on consolidation of LCL cargo		10 min	
10a.	Receive processed K2 from Forwarding Agent and LCL cargo from lorry driver.		2 hours	
10b.	Consolidate cargo and stuff into container.		2 hours	
10c.	Apply for drayage	Drayage Request Form	5 min	
11.	Port operator makes arrangement to move container from CFS/Warehouse to container yard		30 min	
12.	Main Freight Forwarder declares ZB1 to Free Zone Authority (ZB1 submitted electronically, paperless)	ZB1 (export)		

D

No	Process Flow	Document	Process Time	Cost
13.	Port Operator loads container to vessel	Load list	10 min	
14.	Shipping agent submits export manifest (OBL) electronically to Customs within 7 days after vessel departure.	Manifest	5 min	
15.	Freight Forwarder submits export manifest (HBL) electronically to Customs within 7 days after vessel departure.	Manifest	5 min	
16.	Freight forwarder advises shipping & freight charges to shipper and/or forwarding agents	Freight Invoice	10 min	
17.	Freight forwarders pays shipping & freight charges and collect OBL. Freight forwarders will issue their HBL to exporters or Forwarding Agent	Bill of Lading	10 min	
18.	Approval of Preferential /Non- Preferential COO (if required)	Certificate of Origin	30 min	

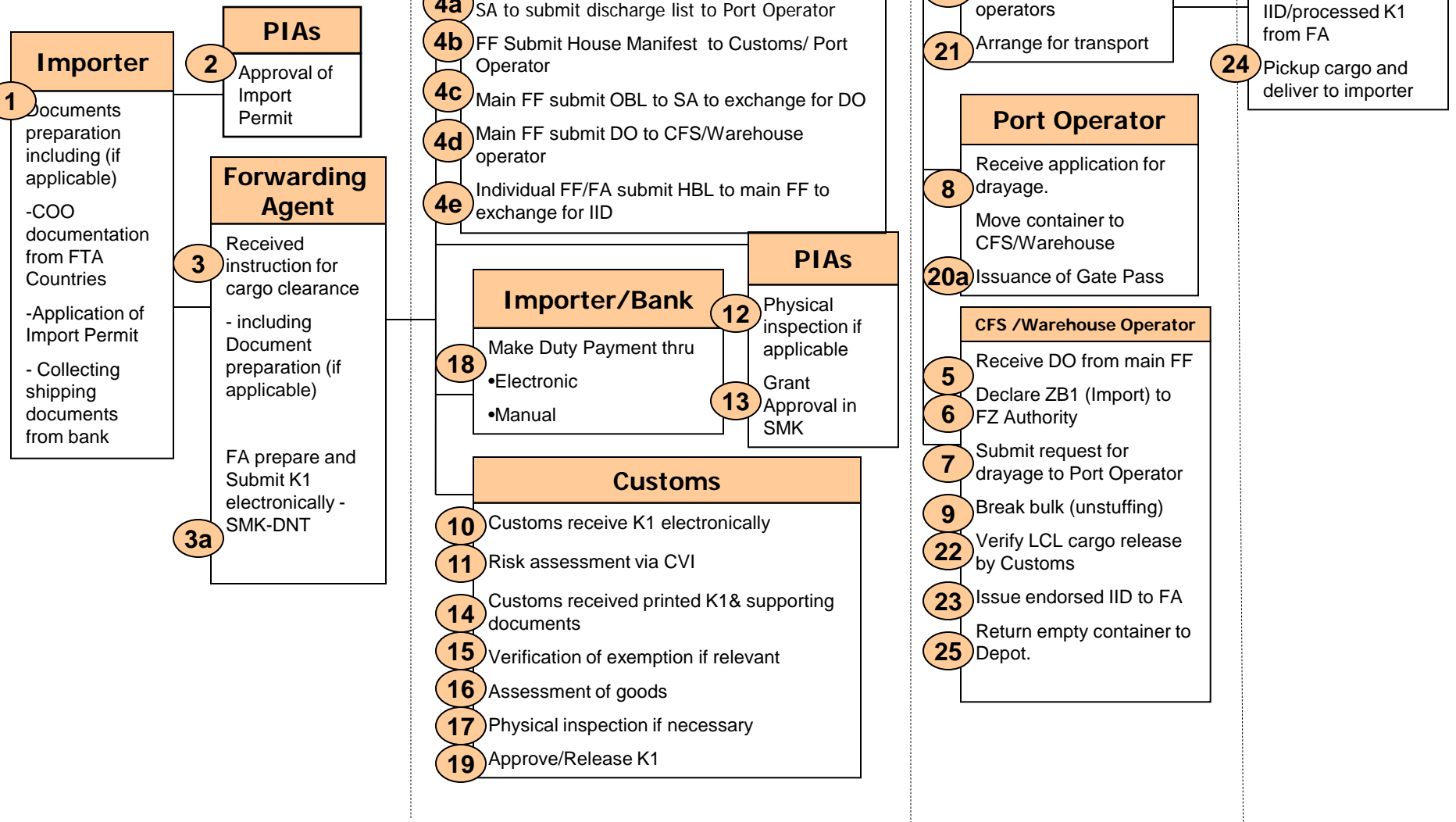
} **D**

*** Time taken for processes 14 to 18 are not measured as only internal processes once ship has departed**

Legend (Export Flow):

1. LCL- Lesser than Container Load
2. LC – Letter of Credit
3. PIA – Permit Issuing Agencies
4. SA – Shipping Agent
5. FF – Freight Forwarder
6. CFS – Container Freight Station
7. SMK – Sistem Maklumat Kastam
8. OBL – Ocean Bill of Lading
9. HBL – House Bill of Lading
10. COO – Certificate of Origin
11. IED – Integrated Export Document

IMPORT FLOW FOR LCL (PORT KLANG) - console cargo



A: Documents Preparation

B: Customs Clearance & Tech Control

C: Ports & Terminal Handling

D: Inland Transportation & Handling

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>	No cost
2	<p>PIA approve Import Permit (if applicable)</p> <p>Note: Total no of agencies: 25 Live implementation: 19 Paperless: 16 Coming on board: 4 – under development (1 peninsular, 3 Sarawak) 2 – Awaiting instruction from MOF</p>	Import Permit	Pre-arrival	RM 5 (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
3a	Forwarding agents submit K1 electronically (CUSDEC) through SMK-DNT interface.	K1	Preparation : 1 hr	<p>K1 : RM 0.60 per set</p> <p>EDI charges: RM 0.88 per KB (RM 5 per K1)</p> <p>Forwarding charges :</p>

A



No	Process Flow	Document	Process Time	Cost
4.	Shipping agents send manifest (Ocean BL) to Customs and Port Operator within 24 hours of arrival of vessel, in accordance with Section 52, Customs Act. In practice, they are allowed to submit much earlier	Manifest	Pre-arrival	
4a.	Shipping agents submit Discharge List to port operator, 6 hours prior to vessel arrival.	Discharge List	Within 6 hours	No cost
4b.	Freight Forwarders send manifest (House BL) to Customs and Port Operator after Ocean BL had been submitted by Shipping Agent. - Freight forwarders issuing in house manifest within 24 hours	Manifest	Pre-arrival	No cost
4c.	Main Freight Forwarder submits Ocean BL to Shipping Agent to exchange for Delivery Order	Delivery Order	Pre-arrival	No cost
4d.	Main Freight Forwarder informs CFS/Warehouse operator on break-bulking through Delivery Order	Delivery Order	Pre-arrival	No cost
4e.	Individual Freight Forwarder or Forwarding Agent submits House BL to Main Freight Forwarder to exchange for Integrated Import Document.	IID	Pre-arrival	No cost
5.	CFS/Warehouse Operator receives instruction from Freight Forwarder on break-bulking.	Delivery Order	Pre-arrival	No cost
6.	Freight Forwarder or CFS/Warehouse Operator declares form ZB1 to Free Zone Authority	ZB1 (Import)	Pre-arrival	No cost

B

No	Process Flow	Document	Process Time	Cost
7.	CFS/Warehouse Operator submits request for drayage to Port Operator	Drayage Request Form	4 hours	No cost
8.	Port Operator approves application for drayage and makes arrangement to move container to relevant warehouse.		4 hours	EMC charges: 20' : RM 65; 40' : RM 100
9.	CFS/Warehouse Operator carries out unstuffing of container and break-bulking of cargo.		LPK & Terminal operator to provide inputs 4 hours	
10.	Customs computer system (SMK) automatically processes & registers K1 and sends response back to forwarding agent with registration number.	K1 form	Response Time : 5 – 20 min	EDI charges: RM 0.88 per KB
11.	Risk assessment on K1 done by Customs Verification Initiative (CVI) Unit at Customs Headquarter to identify high risk consignments.	-	Electronic : Nil Manual : 5 min	Process of doing- no cost

B

No	Process Flow	Document	Process Time	Cost
12.	Forwarding agent informs OGA of the arrival of cargo & submits the relevant permit to OGA. Physical inspection if applicable will be done at the relevant warehouse.	K1 form PIA Permit	OGA inspection time : 30 min	No Cost
13.	If no physical inspection, OGA will grant approval in SMK.	K1form	2 - 5 min	No cost
14.	Customs receives Form K1 and supporting documents for Customs clearance. a) Basic supporting documents : invoice, packing list and IID. 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 IID. Permit COO CJ5/CJ5A BG/G Bond	2 – 5 min	No cost
15.	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

B

No	Process Flow	Document	Process Time	Cost
16.	<p>Assessment of goods by Senior Customs Officer to determine duties/taxes payable which includes the following processes :</p> <p>a) Verification of particulars declared against supporting documents;</p> <p>b) Instruction for physical inspection if necessary;</p> <p>c) Classification/Valuation;</p> <p>d) Approval/Release.</p>	<p>K1 form Invoice Packing List IID Permit COO CJ5/CJ5A</p>	<p>5 - 20 min</p>	<p>No cost</p>
17.	<p>Physical / CVI inspection involves the following processes :</p> <p>a) Preparation for inspection such as submitting IID to warehouse operator and engaging “carpenter” to open packages.</p> <p>b)Actual physical /CVI inspection</p> <p>* CVI if applicable</p>	<p>K1 form IID Packing list</p>	<p>30 min</p>	<p>Labour Charges : RM 10.00</p>
18.	<p>Forwarding agent pays import duty on behalf of Importer via :</p> <p>a) Electronic Fund Transfer (which is only available during banking hours);</p> <p>b) Duty Net (24 x 7, through CIMB);</p> <p>c) Financial Service Payment Gateway; or</p> <p>c) Manual (through cheque or bank draft)</p>	<p>EFT Message : PAYORD, CREMUL, CREADV Manual: bank draft or cheque</p>	<p>a) EFT : 20-60 min (different from Bank to Bank)</p> <p>b) Duty Net : Real time Basis</p> <p>c) Manual : 30 min</p>	<p>EFT charges : RM 8.00 per transaction</p> <p>Actual charge: Rm15 per transaction</p>

B

No	Process Flow	Document	Process Time	Cost
19.	<p>Customs receipts the K1 and Senior Customs officer signs off the K1 form to authorize release of cargo. (Applicable for parallel transactions)</p> <p>If paperless transaction:</p> <p>a) Auto-release after payment of duty/tax;</p> <p>b) Printing of Customs Official Receipt (COR)</p>	Processed K1 COR	2 - 5 min	No cost
20.	Forwarding Agent pays port charges to CFS/Warehouse Operator	IID	-	No cost
21.	Forwarding Agent contacts transport company and arranges for transport. Upon confirmation, documents such as Delivery Order (prepared by FA), IID and processed K1 will be passed to the transport company. Lorry will be sent to pick up the cargo.	Delivery Order IID Processed K1 Copy of COR (paperless)	-	No cost
22.	CFS/Warehouse operator verifies IID/processed K1 submitted by lorry driver and after tallying proceed to load cargo onto the lorry.		60 minutes	No cost
23.	After loading, IID/Gate Pass will be endorsed by CFS/Warehouse operator and given to lorry driver/Forwarding Agent for gate release.	IID/Gatepass	5 – 10 minutes	No cost
24.	Lorry driver delivers cargo to importer.	IID/Gatepass Delivery Order	Depend the distance Feedback from Northport	According to the zones
25.	CFS/Warehouse Operator informs Shipping Agent to return empty container to pre-designated depot.		Within 12 hours	

B

Legend (Import Flow):

1. LCL- Lesser than Container Load
2. COO – Certificate of Origin
3. FTA – Free Trade Area
4. PIA – Permit Issuing Agencies
5. FA – Forwarding Agent
6. SA – Shipping Agent
7. FF – Freight Forwarder
8. CFS – Container Freight Station
9. OBL – Ocean Bill of Lading
10. HBL – House Bill of Lading
11. DO – Delivery Order
12. IID – Integrated Import Document
13. SMK – Sistem Maklumat Kastam
14. CVI- Customs Verification Initiative
15. OGA – Other Government Agencies
16. SSR – Special Service Request
17. COR – Customs Official Receipt