

## **GUIDELINE FOR IMPORTATION OF GOODS INTO MALAYSIA CUSTOM (PROHIBITION OF IMPORTS) ORDER AMENDMENT NO. 5 2008**

### **1. INTRODUCTION**

The government of Malaysia had decided to liberalize the Iron and Steel Industry through its various commitments to existing Free Trade Agreement (FTA) with ASEAN and other countries. The implementation came to being when the Ministry of Finance, Malaysia made the announcement on 15 Nov 2008 the following measures to support liberalization of Iron and Steel Products:

- Custom Duties (Exemption) Amendment No 9. Order 2008
- Custom (Prohibition of Imports) Order Amendment No 5. 2008

Under the Custom Duties (Exemption) Amendment No 9. 2008, 54 new tariff codes related to Iron and Steel products were identified to be liberalized and entitled for Import Duty exemption.

Simultaneously, the Ministry of Finance, Malaysia named SIRIM as the responsible agency for the enforcement of Mandatory Standard Compliance for importation of Iron and Steel Products (for Non Construction Sector) through the Custom (prohibition of imports) Order Amendment No. 5 2008, which covers 57 new tariff codes.

The Mandatory Standard Compliance is in place to ensure that after the liberalization of iron and steel products, only products that conforms to Malaysian Standards and other International Standards (in the absence of Malaysian Standards) can be imported to Malaysia.

The Custom (prohibition of Imports) Order Amendment No 5. 2008, under the Custom Act 1967, explains in details the manner of importation of iron and steel products:

*That the import is accompanied by a certificate of approval issued by or on behalf of the Chief Executive of SIRIM for non-construction sector certifying that the import conforms to Malaysian Standards(MS) or any other International Standards recognized by SIRIM (if Malaysian Standard is not available)*

## 2. TARIFF CODE AND PRODUCT DESCRIPTION

The followings are 57 tariff codes as described in the Custom (prohibition of imports) Order Amendment No. 5. 2008.

Heading/Subheading	Description of goods
7206.10 100	Iron and non-alloy steel in ingots, containing by weight 0.6% or more of carbon
7207.11 900 7207.12 900 7207.19 900	Semi finished product of iron or non-alloy steel, containing by weight less than 0.25% of carbon, other than tin plate bars
7207.20 110 7207.20 910 7207.90 990	Semi finished product of iron or non-alloy steel, containing by weight 0.25% or more of carbon, other than tin plate bars containing by weight 0.6% or less of carbon
7213.10 000 7213.20 000	Bars and rods, hot rolled in irregularly wound coils, of iron and non-alloy steel
7213.91 000 7213.99 000	Bars and rods, hot rolled in irregularly wound coils, of iron and non-alloy steel
7214.10 110 7214.10 910 7214.10 990	Bars and rods of iron or non-alloy steel, not further worked than forged, other than containing by weight 0.6% or more of carbon, not round
7214.20 110 7214.20 910 7214.20 990	Bars and rods of iron or non-alloy steel, not further worked than hot rolled, hot drawn or hot-extruded, containing indentation, ribs, grooves or other deformations produced during the rolling process or twisted after rolling, other than containing by weight 0.6% or more of carbon, not round
7214.30 100 7214.30 900	Bars and rods of iron or non-alloy steel, not further worked than hot rolled, hot drawn or hot-extruded but including those twisted after rolling of free-cutting steel
7214.91 900	Bars and rods of iron or non-alloy steel, not further worked than hot rolled, hot drawn or hot-extruded but including those twisted after rolling, of rectangular (other than square) cross section, containing by weight less than 0.6% of carbon

Heading/Subheading	Description of goods
7214.99 110 7214.99 910 7214.99 990	Bars and rods of iron or non-alloy steel, not further worked than hot rolled, hot drawn or hot-extruded but including those twisted after rolling other, other than rectangular cross section and not round, containing by weight 0.6% or ore of carbon
7215.10 100 7215.10 900	Other bars and rods of iron or non-alloy steel, of free cutting steel, not further worked than cold-formed or cold finished
7215.50 110 7215.50 910 7215.50 990	Other bars and rods of iron or non-alloy steel, other than of free cutting steel, containing by weight 0.6% or more of carbon, not round
7215.90 100 7215.90 900	Other bars and rods of iron or non-alloy steel, other than not further worked than cold-formed or cold-finished
7216.22 100 7216.22 900	T-section of iron or non-alloy steel, not further worked than hot rolled, hot drawn or extruded, of a height of less than 80 mm
7216.32 100	I-section of iron or non-alloy steel, not further worked than hot rolled, hot drawn or extruded, of a height of 80 mm or more with a thickness of 5 mm or less
7216.33 100	H-section of iron or non-alloy steel, not further worked than hot rolled, hot drawn or extruded, of a height of 80 mm or more containing by weight 0.6% or more of carbon
7216.33 991 7216.33 999	H-section of iron or non-alloy steel, not further worked than hot rolled, hot drawn or extruded, of a height of 80 mm or more containing by weight less than 0.6% of carbon, other than steel H sections with thickness of flange not less than thickness of web
7216.40 100 7216.40 910 7216.40 990	L or T-section of iron or non-alloy steel, not further worked than hot rolled, hot drawn or extruded, of height of 80 mm or more
7216.50 111 7216.50 112 7216.50 191	Angles not further worked than hot rolled, hot drawn or extruded, other than slotted angle, other than containing by weight less than 0.6% of carbon, of a height of less than 80 mm

Heading/Subheading	Description of goods
7221.00 000	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel
7218.91 000 7218.99 000	Semi finished products of stainless steel
7222.11 000 7222.20 100 7222.30 100	Bars and rods of stainless steel, round
7222.40 120	Angles of stainless steel, of a height of less than 80 mm, other than slotted sections
7222.40 211	Shapes and sections, of stainless steel, of a height of 80 mm or more with a thickness of less than 5 mm
7222.40 .300	Slotted angles, of stainless steel, rolled formed from pure punched steel strips, whether or not printed or galvanized
7224.10 000 7224.90 000	Other alloy-steel in ingots or primary forms, semi-finished product of other alloy steel
7228.70 120	Angles of other alloy steel, of a height of less than 80 mm, other than slotted angles
7228.70 211 7228.70 221	Shapes and sections of other alloy-steel, of a thickness of 5mm or less
7228.70 300	Slotted angles, of other alloy steel, rolled formed from pure-punched steel strips, whether or not printed or galvanized

### 3. ROLES AND FUNCTIONS OF SIRIM QAS INTERNATIONAL

- a. To process applications for Certificate of Approvals for Imports of Iron and Steel products by importers or their representatives.
- b. To carry out sampling of products for the purpose of Full Type Test, Critical Test and Surveillance Test.
- c. To carry out testing of Iron and Steel Products based on the requirements of various related Malaysian Standards and International Standards.
- d. To carry out Factory Audit in fulfillment of SIRIM QAS International Product Certification requirements.
- e. To carry out verification on imports for every consignment at Custom entry points, throughout Malaysia.
- f. To issue Certificate of Approvals for Imports that conform to the Malaysian Standards or other International Standards.

### 4. TERMS AND DEFINITIONS

- a. Products : Iron and Steel products to be used for manufacturing purposes
- b. Certificate of Approval : Certificate issued by SIRIM QAS International, certifying that imports conform to the requirements of Malaysian Standards or other International Standards
- c. Consignment : One shipment of Iron and Steel products
- d. Full Type Test : Test conducted to fulfill the full requirements of related Malaysian Standards or other International Standards
- e. Critical Test : Selected tests based on certain requirements of related Malaysian Standards or International Standards
- f. Product Certification : A third party attestation that products conform to a specified standard
- g. Surveillance Test : Selected tests based on the product's standard requirements, conducted as part of the quality control plan of the manufacturing system
- h. Verification : Visual inspection and document verification on imports, carried out by SIRIM QAS International

## **5. IMPORTATION PROCEDURES FOR IRON AND STEEL PRODUCTS**

SIRIM QAS International recognizes three (3) methods of imports, by which a Certificate of Approval can be issued, namely:

- Consignment Testing without Full Type Test Report (Method 1) - Refer to Flowchart 1 in Appendix 1.
- Consignment Testing with Full Type Test Report (Method 2) - Refer Flowchart 1 and Flowchart 2(a) in Appendix 1 and 2, respectively.
- Product Certification (Method 3) - Refer Flowchart 1 and Flowchart 2(b) in Appendix 1 and 3, respectively.

### **5.1 Consignment Testing without Full Type Test Report(Method 1)**

An applicant/importer shall make an application for Certificate of Approval, by providing detailed import information as required. This application shall be made in advance prior to arrival of imports into the country. An applicant/importer shall make necessary arrangement with SIRIM QAS International and the relevant authorities (eg. Custom) to facilitate sampling of products from the consignment

#### **5.1.1 Where to conduct consignment sampling:**

Sampling of products can be carried out at the port of disembarkation at any one of the following locations:

- a. Bonded warehouse in Malaysia.
- b. Customs premises.

#### **5.1.2 Arrangement for Consignment Sampling:**

Under this sampling condition, the importer shall be responsible for the necessary arrangement as to facilitate the process. Importers shall make arrangement to ensure the presence of Importer/Importer's representatives during the consignment sampling.

Importers shall also provide appropriate tools and handling equipment to enable preparation of samples for the purpose of testing by SIRIM QAS International.

Importers shall also make logistic arrangement to send samples selected during consignment sampling to SIRIM QAS International for testing.

### **5.1.3 Full Type Test**

Samples selected from the consignment shall be then subjected to Full Type Test, as defined in the relevant Malaysian Standards or other International Standards.

### **5.1.4 Issuance of Certificate of Approval**

Upon satisfactory compliance based on the Full Type Test Results, SIRIM QAS International shall issue a Certificate of Approval, certifying that Imports conforms to the relevant Malaysian Standards or other International Standards.

Note: The Certificate of Approval is valid for one consignment.

## **5.2 Consignment with Full Type Test (Method 2)**

Under this arrangement, importer makes an advance provision to carry out product Full Type Test with SIRIM QAS International, prior to consignment. With this arrangement, products need to be first sampled by SIRIM QAS International at the factory in the country of origin. The samples of products shall be then subjected to Full Type Test by SIRIM QAS International in accordance with the relevant Malaysian Standards and other International Standards. SIRIM QAS International also recognizes other testing labs overseas to carry out the tests, provided the labs are accredited and the scope of accreditation covers the related products and standards. In addition, the Accreditation Body shall be a member signatory to the APLAC and ILAC MRA.

### **5.2.1 Full Type Test Reports**

Upon satisfactory compliance with the requirements of the relevant standards, a Full Type Test Report shall be issued by SIRIM QAS International. This Full Type Test Report is Valid for a period of ONE Year from the date of issue.

### **5.2.2 Application for Certificate of Approval.**

With the Full Type Test Report ready, the importer can now make an arrangement for imports and simultaneously file an application for Certificate of Approval with SIRIM QAS International.

### **5.2.3 Arrangement for Consignment Verification and Sampling**

Sampling of products can be carried out at the port of disembarkation at any one of the following locations:

- a. Bonded warehouse in Malaysia.
- b. Customs premises.

Under this sampling condition, the importer shall be responsible for the necessary arrangement as to facilitate the process. Importers shall make arrangement to ensure the presence of Importer/Importer's representatives during the consignment sampling.

Importers shall also provide appropriate tools and handling equipment to enable preparation of samples for the purpose of testing by SIRIM QAS International.

### **5.2.4 Critical tests**

Samples selected from the consignment shall be then subjected to Critical Test, as defined by SIRIM QAS International for the relevant Malaysia Standards or other International Standards.

### **5.2.5 Issuance of Certificate of Approval**

Upon satisfactory compliance based on the Critical Test Results, SIRIM QAS International shall issue a Certificate of Approval, certifying that Imports conforms to the relevant Malaysian Standards or other International Standards.

Note: The Certificate of Approval is valid for one consignment.

## **5.3 Product Certification (Method 3)**

Product Certification Scheme operated by SIRIM QAS International is based on ISO Type 5 Certification Scheme and accredited by the Department of Standards Malaysia to ISO/IEC Guide 65. Under this scheme, an importer that carries SIRIM QAS International Product Certification License for products identified in the Custom (prohibition of imports) Order Amendment No. 5 2008 can obtain a Certificate of Approval from SIRIM QAS International upon satisfactory results of Consignment Verification and Surveillance Test.

General requirements related to the Product Certification Scheme include, but not limited to the followings:

- a. The Manufacturer shall have an established quality management system that ensures products manufactured consistently meet the standard requirements.
- b. Products manufactured fully comply with the requirements of the related standards.
- c. Manufacturers and the manufacturing system comply with the SIRIM QAS International Product Certification Requirements as stipulated in the Annex of the Product Certification Agreement

Product Certification Scheme generally covers the following processes:

- a. Application
- b. Document Evaluation
- c. Factory Audit
- d. Product Full Type Test and Evaluation
- e. Recommendation and Approval
- f. Award of License
- g. Surveillance

### **5.3.1 Application for Certificate of Approval**

An importer under the SIRIM QAS International Product Certification Scheme may apply in advance for a Certificate of Approval prior to the Consignment reaching the point of entry/port of disembarkation.

### **5.3.2 Arrangement for Consignment Verification and Sampling**

Under this sampling condition, the importer shall be responsible for the necessary arrangement as to facilitate the process. Importers shall make arrangement to ensure the presence of Importer/Importer's representatives during the consignment sampling.

Importers shall also provide appropriate tools and handling equipment to enable preparation of samples for the purpose of testing by SIRIM QAS International.

### **5.3.3 Surveillance Testing**

Samples selected from consignment shall be then subjected to Surveillance Test, as defined by SIRIM QAS International for the relevant Malaysian Standards and other International Standards.

### 5.3.4 Issuance of Certificate of Approval

Upon satisfactory compliance based on the Surveillance Test Results, SIRIM QAS International shall issue a Certificate of Approval, certifying that Imports conforms to the relevant Malaysian Standards or other International Standards.

Note: The Certificate of Approval is valid for one consignment.

## 6. APPLICATION FOR CERTIFICATE OF APPROVAL

General enquiries related to the importation of iron and steel products and application for a Certificate of Approval can be directed to the following:

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| <p>a. Senior General Manager<br/>Product Certification Inspection &amp; Testing Department<br/>SIRIM QAS International Sdn Bhd<br/>Ground Floor Building 25<br/>SIRIM Complex<br/>Persiaran Dato' Menteri Section 2<br/>40000 Shah Alam<br/>Selangor Darul Ehsan<br/>Tel: 03 - 55446666<br/>Fax: 03 - 55109460</p>      | <p>b. Sales and Customer Services<br/>Product Certification Inspection &amp; Testing Department<br/>SIRIM QAS International Sdn. Bhd<br/>Ground Floor Building 25<br/>SIRIM Complex<br/>Persiaran Dato' Menteri Section 2<br/>40000 Shah Alam<br/>Selangor Darul Ehsan<br/>Tel: 03 - 55445940<br/>Fax: 03 - 55445992</p> |
| <p>c. Civil and Construction Section<br/>Product Certification, Inspection &amp; Testing Department<br/>SIRIM QAS International Sdn Bhd<br/>Building 22<br/>SIRIM Complex<br/>Persiaran Dato' Menteri Section 2<br/>40000 Shah Alam<br/>Selangor Darul Ehsan<br/>Tel: 03 - 55445851/52/53/54<br/>Fax: 03 - 55445855</p> |  |

## 7. SUPPORTING DOCUMENTS

An application for a Certificate of Approval shall be accompanied by the following supporting documents.

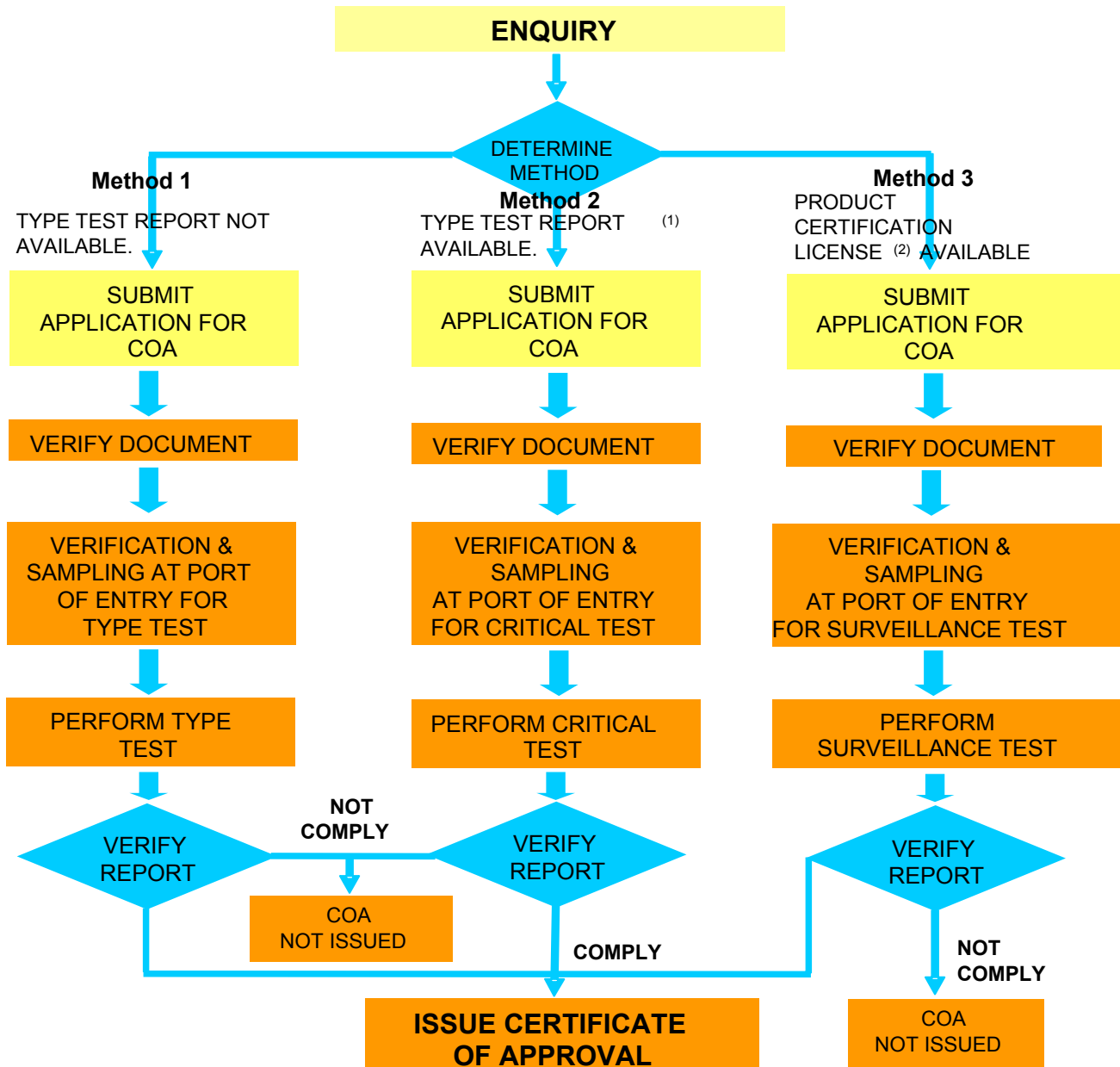
Method 1:	Method 2:	Method 3:
Bill of Lading Invoices Packing List Mill Certificate	Bill of Lading Invoice Packing List Mill Certificate Full Type Test Report	Bill of Lading Invoice Packing list Mill Certificate Product Certification License

## 8. SIRIM BRANCH OFFICES

An importer/applicant may also contact SIRIM Branch Offices, which are situated near major ports/custom entry points for general enquiries and application.

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|--|---|
| a. SIRIM Berhad Johore Branch<br>No 3 Jalan Teknologi 5<br>Taman Teknologi Johor<br>814 Senai Johor<br>Tel: 07 - 5990033/5990077<br>Fax: 07 - 5998366                      | b. SIRIM Berhad Terengganu Branch<br>Lot 1929P Kawasan Perind. Chendering<br>21080 Kuala Terengganu<br>Terengganu Darul Iman<br>Tel: 09 - 6175031/6175030<br>Fax: 09 - 6175026                                  |
| c. SIRIM Berhad Penang Branch<br>483 Mukim 6 Jalan Permatang Pauh<br>13500 Permatang Pauh<br>Seberang Prai Pulau Pinang<br>Tel: 04 - 5377435/5377437<br>Fax: 04 - 5377436  | d. SIRIM Berhad Pahang Branch<br>Jln Pintasan Kuantan-Kuala Terengganu<br>Kawasan Perindustrian Gebeng<br>26100 Kuantan Pahang Darul Makmur<br>Tel: 09 - 5836336/5837600<br>Fax: 09 - 5836767                   |
| e. SIRIM Berhad Sarawak Branch<br>Lot 802 Taman Perind. Demak Laut<br>Jalan Bako Peti Surat 3292<br>93764 Kuching Sarawak<br>Tel: 082 - 439052/439053<br>Fax: 082 - 439060 | f. SIRIM Berhad Sabah/W.P Labuan<br>Branch<br>Lot 1 No 6 Jalan 1<br>KKIP Timur Commercial Zone 2<br>Kota Kinabalu Industrial Park<br>88460 Kota Kinabalu Sabah<br>Tel: 088 - 497048/497082<br>Fax: 088 - 496357 |

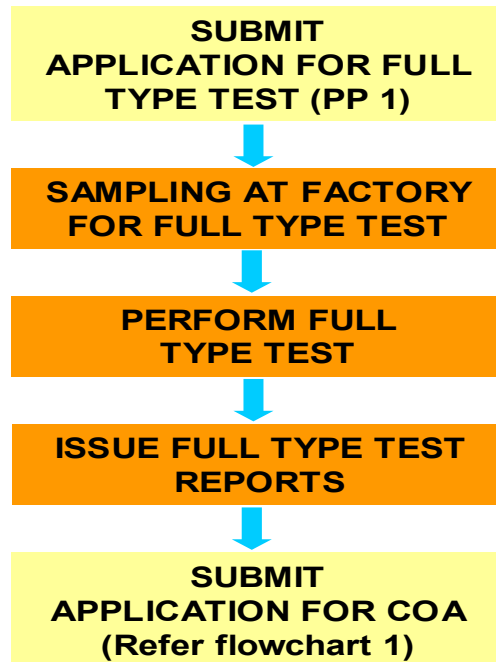
**Flowchart 1: Steps for Obtaining Certificate of Approval**



*Note 1: Type Test report is valid for 1 year from the date of issue. To obtain Type Test Report*

*Note 2: To obtain Product Certification License refer to flowchart 2(b)*

**Flowchart 2(a) : Steps for Obtaining Full Type Test Report**



*Flowchart 2(b) : Steps for Applying Product Certification License.*

