

METHODS FOR IMPORTATION & INSPECTION OF METAL SCRAP INTO MALAYSIA

Presented by:

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Product Certification and Inspection Department

03 April 2024



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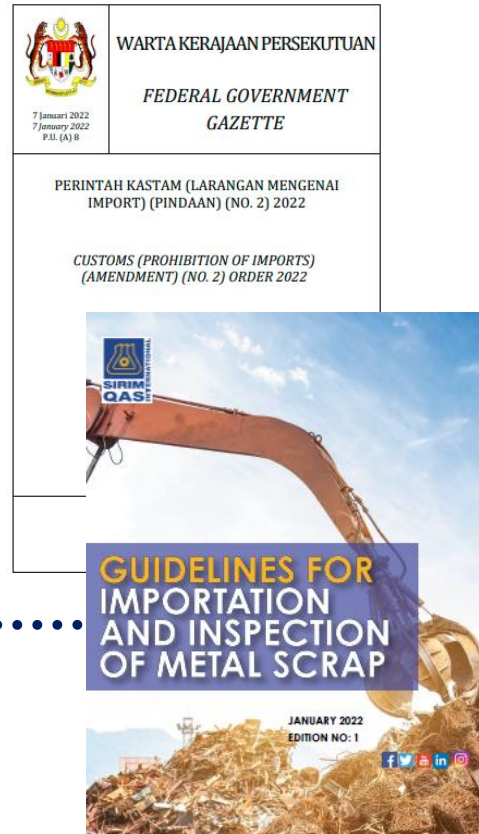


1. INTRODUCTION & OBJECTIVES

INTRODUCTION

The importation of all metal scraps to Malaysia comes under the purview of the **Ministry of Investment, Trade, and Industry (MITI)** and is subject to the issuance of a **Certificate of Approval (COA) by SIRIM** as per the **Customs (Prohibition of Imports) (Amendment) (No. 2) Order 2022** since January 2022 and **Customs (Prohibition of Imports) (Amendment) Order 2024**.

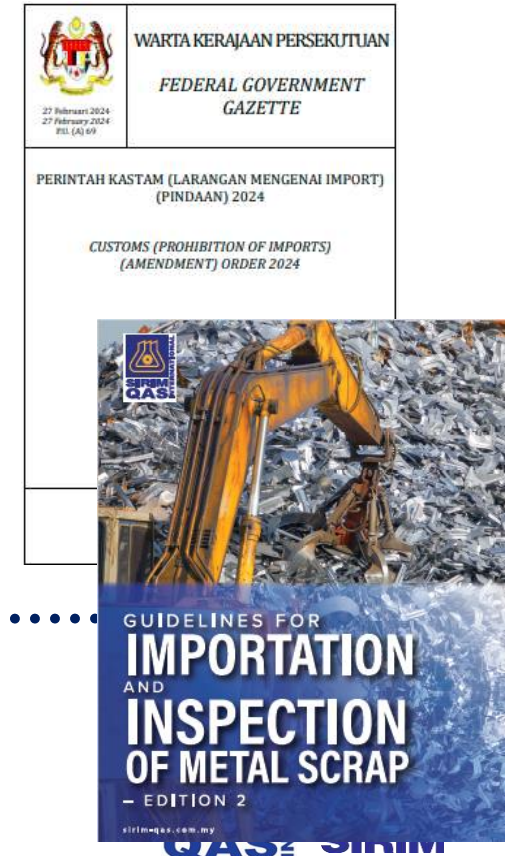
1. **Customs (Prohibition of Imports) (Amendment) (No. 2) Order 2022** published on 7 Jan 2022
2. **SIRIM 1st edition Guidelines for Importation and Inspection of Metal Scrap** published



JAN 2022

Under this Order, **SIRIM** as the designated scheme owner has **developed Guidelines for the Importation and Inspection of Metal Scrap** ("Guideline") aim to provide guidance with the importation and inspection of metal scrap into Malaysia.

1. **Customs (Prohibition of Imports) (Amendment) Order 2024** published on 27 Feb 2024, affected an additional 23 tariff codes
2. **SIRIM 2nd edition Guidelines for Importation and Inspection of Metal Scrap** to be published



FEB 2024

GUIDELINE

Guidelines for the Importation and Inspection of Metal Scrap is prepared based on numerous consultations and series of discussions within committee members:



MINISTRY OF
INVESTMENT,
TRADE AND INDUSTRY
(MITI)



ROYAL MALAYSIAN
CUSTOMS DEPARTMENT
(JKDM)



OBJECTIVE

01

To provide guidance for the importation and inspection of metal scrap into Malaysia.

02

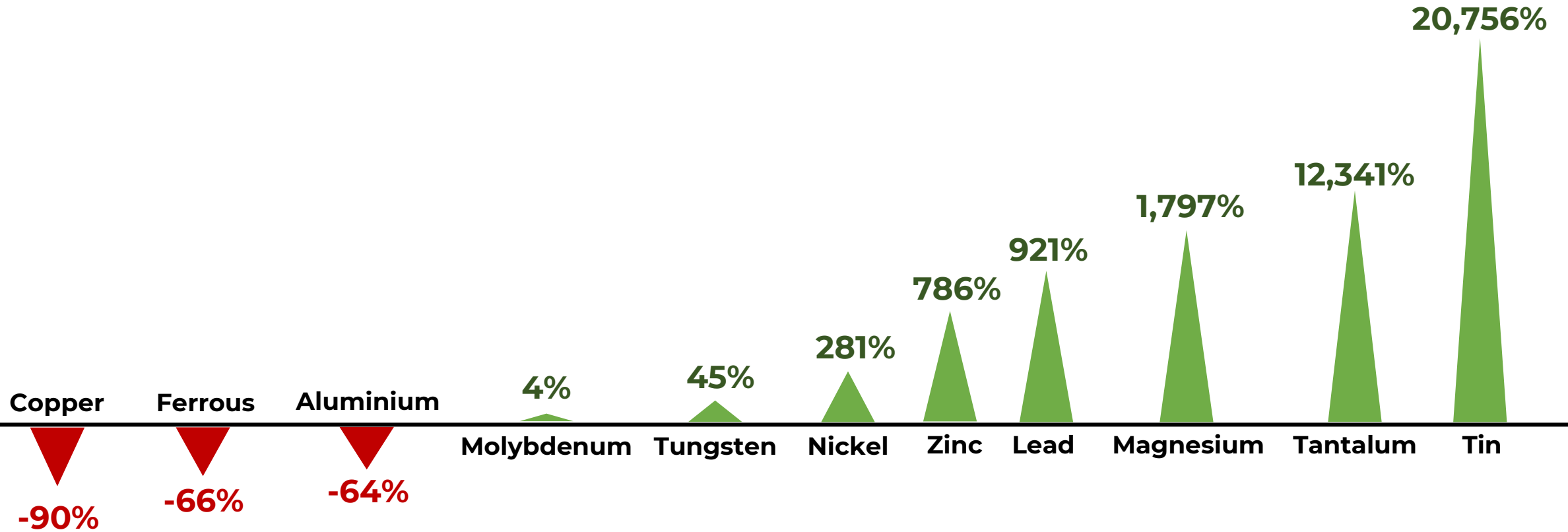
To lay down the requirements for the issuance of the COA.

03

To inform on the criteria requirements of imported metal scrap.

IMPORTATION TREND 2022 vs 2021

FOR VARIOUS WASTE & SCRAP METAL





2. ADDITIONAL TARIFF CODES

ADDITIONAL TARIFF CODES

23 Additional
Tariff Codes

No.	HS Code	Description
1.	72.04	Ferrous waste and scrap; remelting scrap ingots of iron or steel
2.	74.04	Copper waste and scrap
3.	76.02	Aluminium waste or scrap
4.	7503.00.00 00	Nickel waste and scrap
5.	7802.00.00 00	Lead waste and scrap
6.	7902.00.00 00	Zinc waste and scrap
7.	8002.00.00 00	Tin waste and scrap
8.	8101.97.00 00	Tungsten (wolfram) waste and scrap
9.	8102.97.00 00	Molybdenum waste and scrap
10.	8103.30.00 00	Tantalum waste and scrap
11.	8104.20.00 00	Magnesium waste and scrap
12.	8105.30.00 00	Cobalt waste and scrap
13.	8106.10.10 00	Bismuth waste and scrap
14.	8106.90.10 00	

EXISTING

No.	HS Code	Description
15.	8108.30.00 00	Titanium waste and scrap
16.	8109.31.00 00	Zirconium waste and scrap
17.	8109.39.00 00	
18.	8110.20.00 00	Antimony waste and scrap
19.	8111.00.10 00	Manganese waste and scrap
20.	8112.13.00 00	Beryllium waste and scrap
21.	8112.22.00 00	Chromium waste and scrap
22.	8112.31.00 00	Hafnium waste and scrap
23.	8112.41.00 00	Rhenium waste and scrap
24.	8112.52.00 00	Thallium waste and scrap
25.	8112.61.00 00	Cadmium waste and scrap
26.	8112.92.00 00	Other metal waste and scrap

Reference: Customs (Prohibition of Imports) Order 2023 and Customs (Prohibition of Imports) (Amendment) Order 2024.



3. PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION

PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION

ASAL: CHENGIZEL

BERSEKUTUAN: KEMENTERIAN PERBANGSAAN, ANTARABANGSA DAN INDIKUSTRI MALAYSIA

BERSEKUTUAN: MINISTRY OF INTERNATIONAL TRADE AND INDUSTRIES OF MALAYSIA

Form ICA 7 (Pw. 1.58) Form ICA 7 (Pw. 1.58)

AKTA PENYELARASAN PERINDUSTRIAN, 1975
LESEN PENGIANG
INDUSTRIAL CO-ORDINATION ACT, 1975
MANUFACTURING LICENCE

No. Seri: [Redacted] No. Lesen: [Redacted]
(Serial No.) (Licence No.)

PADA MENURUT AKTA PENYELARASAN PERINDUSTRIAN, 1975
IN PURSUANCE OF THE INDUSTRIAL CO-ORDINATION ACT, 1975

Saya memberi lesen kepada [Redacted]
I licence (Name of permittee) [Redacted]

untuk bertindak sebagai PENGIANG BERLESEN mulai 1 April 2019
to act as LICENSED MANUFACTURER as from 1 April 2019
(Tarikh/Tdate)

di bawah pengilangan berdasarkan [Redacted]
at the place of manufacture [Redacted]

bagi keluaran yang dinyatakan dalam senarai terlampir kepada syarikat yang ditampilkannya bersama ini
for product (s) specified hereunder in the schedule attached herewith to the company to which this licence is issued

Keluaran/ Product: [Redacted]

Bertarikh pada 11 September 2019
Dated this 11 Sep 2019

PECAWAI PELESEN
LICENSING OFFICER

TIAN H. K. TALAGAKRISHN
Tengku Puan Intan Zaharah (Datuk)
Menteri Perdagangan Antarabangsa dan Industri

1. MANUFACTURER

- Hold a **Manufacturing License (ML)**; or
- Confirmation Letter for a Company Exempted from Manufacturing License (**ICA 10**).

2. TRADING ARM COMPANY

- Hold **approved invoices** from ML holders or ICA 10 Manufacturers; **and**
- **Memorandum of Agreement (MoA)** with ML holders or ICA 10 Manufacturers.

Ruj. Kami: [Redacted]

MALAYSIA INVESTMENT DEVELOPMENT AUTHORITY
MIDA

MIDA SENTRAL
No. 5, Jalan Sistem Sentral 5
Kuala Lumpur Sentral,
50470 Kuala Lumpur, Malaysia
T: +603 2167 3633
F: +603 2167 7070
E: invest.malaysia@mida.gov.my
www.mida.gov.my

Tuan,

PERMOHONAN SURAT PENGESAHAN UNTUK SYARIKAT BUKU KILANGAN DIKECUALIKAN DARIPADA LESEN PENGIANG DI BAWAH AKTA PENYELARASAN PERINDUSTRIAN, 1975 (A.17.1156)

Merujuk kepada permohonan surat pengesahan yang diterima dengan maklumat lengkap pada 22 Mac 2021 mengenai perkara di atas.

2. Berikut adalah maklumat yang dikemukakan oleh tuan di dalam permohonan tersebut:-

Nama Syarikat	: [Redacted]
No Pendaftaran Syarikat	: [Redacted]
Tapak Kilang	: [Redacted]
Keluaran/ Aktiviti	: [Redacted]
Jumlah pekerja sepenuh masa	: 41 orang
Kumpulan Wang Pemegang Saham	: RM 1,861,921
Jumlah Kos Projek	: RM 1,850,000

PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION



THE MANUFACTURERS SHALL HOLD:

- License under **SIRIM Certification/Eco-Labeling Scheme; or**
- Undergo annual inspection or verification services at manufacturing premises

Among elements to be covered:

- Verification of **quota; and**
- **Waste management** - Manufacturers must have waste management facilities or standard recycling processes for the recoverable materials including plastic.



SIRIM



SIRIM
ECO-LABEL



SIRIM



SIRIM



PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION



SIRIM QAS International Sdn Bhd
SIRIM Complex, 1, Persiaran Dato' Menteri
Section 2, 40700 Shah Alam
Selangor Darul Ehsan

12th March 2024

Dear Sirs,

BANK GUARANTEE NO. 349FG091730 FOR RM100,000- EXPIRING 20.03.2025

WHEREAS

[REDACTED] has pu
Agreement, agreed to "Certificate Of Approval (COA) Scrap And Waste" and in this connec
Guarantee is required in the sum of Ringgit Malaysia One Hundred Thousand Only (RM100,000
Guaranteed Amount").

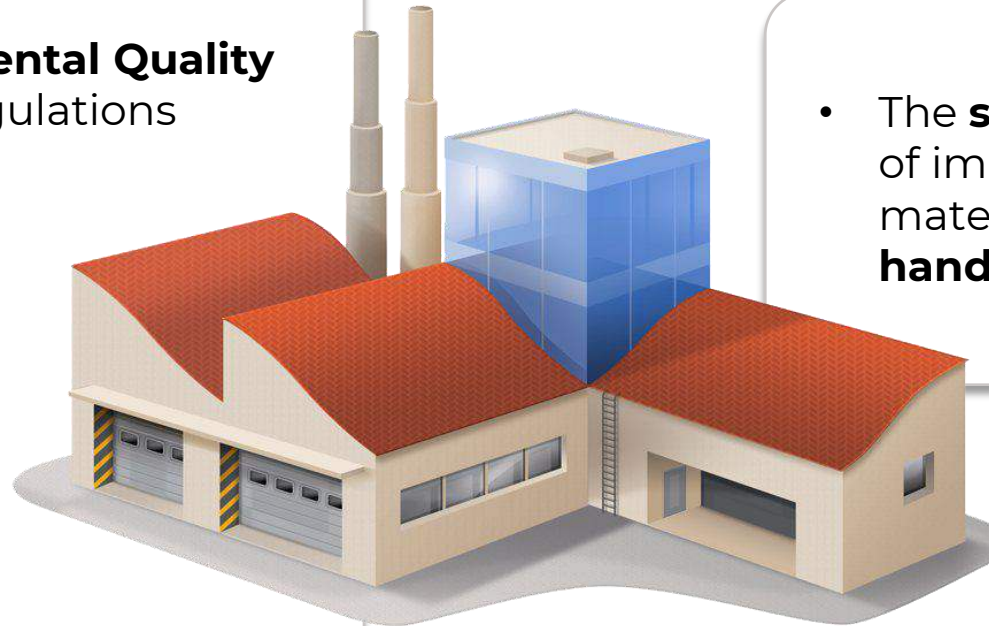
1. In consideration of the premises and at the request of the [REDACTED]
[REDACTED] hereby guarantee to pay you the sum not exceeding the [REDACTED]
Amount on the condition that we first receive your demand in writing stating the Customer
to perform its obligation under the Contract and the amount due to you notwithstanding any protest
or contestation by the Customer or any third party and without proof or condition and that such
demand shall be conclusive evidence that the sum demanded is due to you from the Customer.
2. We shall not be discharged or released from this Guarantee nor shall our liabilities hereunder be
increased or modified in any manner whatsoever by any arrangement made between the Customer
and you or by any alteration in the obligations undertaken by the Customer or by any forbearance
whether as to payment, time, performance or otherwise.
3. This Guarantee shall be effective from 21st March 2024 ("Effective Date") until:
i) 20th March 2025; or

BANK GUARANTEE

- To provide SIRIM with **valid Bank Guarantee**.
- Amount: Projected based on the highest shipment cost (including incidental cost) to return the shipment to the country of origin.

PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION

- Manufacturer's premises are **in operation;** and
- Comply with the **Environmental Quality Act 1974** and its related Regulations



- The **storage space/capacity** of imported metal scrap materials is **adequate** and **handled appropriately**.

A large pile of scrap metal, primarily aluminum, is being processed by a yellow excavator. The excavator's arm and bucket are visible, working on the pile. The background is a clear blue sky.

4. DOCUMENTS REQUIRED FOR COA APPLICATION

DOCUMENTS REQUIRED FOR COA APPLICATION

No.	COA Application Document	Manufacturer	Trading Arm Company
1.	Shipping documents (Invoice, Packing List & Import Documents)		✓
2.	Valid Pre-shipment inspection report (For Method Type 1A, 1B and 1C)		✓
3.	Inspection reports issued by SIRIM Approved MRF (For Method Type 2 only)		✓
4.	Proof of SIRIM Approved MRF Certificate (For Method Type 2 only)		✓
5.	Proof of manufacturing license (ML) or Confirmation Letter for a Company Exempted from Manufacturing License (ICA 10) issued by MIDA		✓
6.	Verified invoice from ML holders or ICA 10 manufacturers and Memorandum of Agreement (MoA) with ML holders or ICA 10 manufacturers	✗	✓
7.	Bank Guarantee		✓
8.	SIRIM Certificate i.e.: Management of Imported Scrap and Waste (MISW) or Product Certification Scheme or Eco- Labelling Scheme or ISO 9001 or ISO 14001		✓
9.	Shipping Insurance Policy		✓
10.	Tariff Code Classification Letter issued by RMCD		✓

A large pile of aluminum scrap metal is being processed by a yellow excavator. The scrap consists of numerous pieces of aluminum, including sheets, rods, and other forms, all piled together. The excavator's arm and bucket are visible, actively working on the scrap. The background is a clear blue sky.

5. IMPORTATION METHODS

IMPORTATION METHODS

Importer to choose one(1) of the importation methods for each shipment

REQUIREMENTS / PROCESSES	METHODS			
	WITHOUT SIRIM Approved MRF			WITH SIRIM Approved MRF
	TYPE 1A	TYPE 1B	TYPE 1C	TYPE 2
Mode of Transport	Land & Sea	Land & Sea	Sea Only	Land & Sea
Pre-shipment Inspection	✓ (by SIRIM)	✓ (by FIB with MOA)	✓ (by FIB without MOA)	✗
Post Shipment at Port of Entry	✗	✗	✓ (by SIRIM)	✗
COA	✓	✓	✓	✓
Inspection at Factory Storage Yard	✗	✗	✗	✓ (by SIRIM)

Notes:

MRF = Materials Recovery Facility

FIB = Foreign Inspection Body

A large pile of aluminum scrap metal is being processed by a yellow excavator with a hydraulic shearer attachment. The scrap consists of numerous pieces of aluminum, including cans and other household items, which are being shredded and broken down. The excavator's arm and shearer are visible in the foreground, and the pile of scrap extends into the background under a clear blue sky.

6. INSPECTION METHODS

INSPECTION CRITERIA

	CRITERIA GROUPING				
	TARGET Solid Metal Scrap (min)	OTHER Solid Metal Scrap (max)	OTHER Recoverable Materials Incl. Plastic (max)	SCHEDULED WASTE including e-waste	TOTAL
REQUIREMENTS (percentage by weight)	94.75%	5.0%	0.25%	0%	100%

Note:

Crushed or shredded form of metal scraps of sizes less than 5 mm are not allowed for importation.

These criteria was developed by a committee (MITI, MIDA, DOE, RMCD & SIRIM) with reference to the Environmental Quality Act 1974, BASEL Convention, EQC, and country best practices.

A large pile of aluminum scrap metal is being processed by a yellow excavator with a hydraulic shearer attachment. The scrap consists of numerous pieces of aluminum, including cans and other household items, which are being shredded into smaller pieces. The excavator's arm and shearer are visible in the foreground, and the pile of scrap extends into the background under a clear blue sky.

7. SAMPLING PLAN

SAMPLING PLAN

MS ISO 2859-1

**GENERAL INSPECTION LEVEL II;
ACCEPTANCE QUALITY LIMIT
(AQL): 6.5**

Example:

100 containers per shipment:

Number of sampled
containers: **20 containers**

Lot size (Number of ordered products)	General Inspection Levels			Special Inspection Levels			
	I	II	III	S-1	S-2	S-3	S-4
2 → 8	A	A	B	A	A	A	A
9 → 15	A	B	C	A	A	A	A
16 → 25	B	C	D	A	A	B	B
26 → 50	C	D	E	A	B	B	C
51 → 90	C	E	F	B	B	C	C
91 → 150	D	F	G	B	B	C	D
151 → 280	E	F	H	D	C	D	E

NUMBER OF SAMPLES	Acceptance Quality Limits (AQL) in %																
	0.015	0.025	0.040	0.065	0.10	0.15	0.25	0.40	0.65	1.0	1.5	2.5	4.0	6.5	10	15	25
A 2	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↓	↓	1 2
B 3	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↓	1 2	2 3
C 5	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	1 2	2 3	3 4
D 8	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6
E 13	↓	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6
F 20	↓	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	↓	↓	3 4	5 6	7 8	10 11
G 32	↓	↓	↓	↓	↓	↓	↓	0 1	↑	↓	↓	↓	↓	5 6	7 8	10 11	14 15
H 50	↓	↓	↓	0 1	↑	↓	↓	0 1	↓	↓	↓	↓	↓	7 8	10 11	14 15	21 22
J 80	↓	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑
K 125	↓	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑
L 200	↓	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑
M 315	↓	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑
N 500	↓	0 1	↑	↓	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑
P 800	0 1	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑
Q 1250	↑	↓	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑	↑
R 2000	↑	1 2	2 3	3 4	5 6	7 8	10 11	14 15	21 22	↑	↑	↑	↑	↑	↑	↑	↑

✓ Acceptance ✗ Rejection





8. SIRIM SCHEDULE OF FEES

SIRIM SCHEDULE OF FEES

Pre-shipment Inspection for Method Type 1A (Sea Mode/Land Mode of Transport)

No	Descriptions	TYPE 1A Fees (RM)
1.	≤ 50 MT	500
2.	51 to 100 MT	800
3.	101 to 200 MT	1,000
4.	201 to 375 MT	1,500
5.	376 to 625 MT	2,000
6.	626 to 1,250 MT	3,500
7.	1,251 to 3,000 MT	6,000
8.	Subsequent weight (>3000 MT)	1.80/tonne
9.	Inspection report (≤375 MT)	350/shipment
10.	Inspection report (>376 MT)	500/shipment
11.	Incidental	As charged where applicable (accommodation, living allowances, and transportation/mileage)

NEW FEES

Example

Qty: 50 MT

50 MT: RM 500
Ins. Report: RM 500

Total: RM1,000*

* Total fee per shipment (not including incidental cost)

Note:

For pre-shipment inspection **Type 1B and 1C**, the importer needs to liaise directly with the FIB. SIRIM determines the time spent and the sample size for all inspections.

SIRIM SCHEDULE OF FEES

Post-shipment Inspection for Method Type 1C (On-board) and Inspection at Factory Storage Yard for Method Type 2

Shipment via
Bulk /
Open Vessel

No	Descriptions	TYPE 1C, 2 Fees (RM)
1.	First 3000 MT	2,700/shipment
2.	Subsequent weight (>3000 MT)	0.70/MT
3.	Inspection report	500/shipment
4.	Testing fee (If Applicable)	1,500/day/shipment
5.	<u>Incidental</u>	
	<ul style="list-style-type: none"> SIRIM branch nearest to the Port of Entry; or Factory storage yard 	Refer to TABLE 1: Incidental cost for Post-shipment Inspection; or As per SIRIM's standard rate

Example

Qty: 3,000 MT

3,000 MT:	RM	2,700
Ins. Report:	RM	500
Total:	RM	3,200*

* Total fee per shipment (not including incidental cost)

SIRIM SCHEDULE OF FEES

Post-shipment Inspection for Method Type 1C (Off-board) and Inspection at Factory Storage Yard for Method Type 2

Shipment via Containers

No	Descriptions	TYPE 1C, 2 Fees (RM)
1.	First 3 containers	300
2.	Subsequent containers	100
3.	Inspection report	500/shipment
4.	Testing fee (If Applicable)	1,500/day/shipment
5.	<u>Incidental</u>	
	<ul style="list-style-type: none"> SIRIM branch nearest to the Port of Entry; or Factory storage yard 	Refer to TABLE 1: Incidental cost for Post-shipment Inspection; or As per SIRIM's standard rate

Example

Qty: 3 sampled containers from a total of 15 containers

3 containers:	RM 300
Ins. Report:	RM 500
Total:	RM 800*

* Total fee per shipment (not including incidental cost)

SIRIM SCHEDULE OF FEES

Table 1 : Incidental Cost for Post-Shipment Inspection at Port of Entry

SIRIM HQ to Port (Central Region)

No	Port	Incidental (RM) / Round Trip
1.	West Port, Klang	72
2.	North Port, Klang	48
3.	Lumut Port, Perak	336

SIRIM Johor to Port

No	Port	Incidental (RM) / Round Trip
1.	Johor Port, Pasir Gudang	72
2.	Tanjung Langsat Port, Pasir Gudang	96
3.	Tanjung Pelepas Port, Gelang Patah	72

SIRIM Penang to Port

No	Port	Incidental (RM) / Round Trip
1.	NBCT Port	24
2.	BWCT Port	24

SIRIM Pahang to Port

No	Port	Incidental (RM) / Round Trip
1.	Kuantan Port, Pahang	24
2.	Kertih Port, Terengganu	160
3.	Kemaman Port, Terengganu	160

SIRIM Sarawak to Port

No	Port	Incidental (RM) / Round Trip
1.	Kuching Port	16
2.	Miri Port	Flight Ticket + Incidental (0.80/km)
3.	Bintulu Port	Flight Ticket + Incidental (0.80/km)
4.	Sibu Port	Flight Ticket + Incidental (0.80/km)

SIRIM Sabah to Port

No	Port	Incidental (RM) / Round Trip
1.	Kota Kinabalu Port	40
2.	Sepanggar Port	24
3.	Sandakan Port	Flight Ticket + Incidental (0.80/km)
4.	Tawau Port	Flight Ticket + Incidental (0.80/km)
5.	Lahad Datu	Flight Ticket + Incidental (0.80/km)
6.	Labuan Port	Flight Ticket + Incidental (0.80/km)



9. CLIENT CHARTER

CLIENT CHARTER

1. Pre-Shipment Inspection by SIRIM

Issuing an invoice	1 working day
Inspection at Country of Origin	2-5 working days
Issuing of inspection report	2 working days
Total	5-8 working days

2. COA Application

Evaluation of submitted shipping documents	1 working day
Issuing an invoice	1 working day
Total	2 working days

3. Post-shipment Inspection (For Method Type 1C)

Post-shipment Inspection	1-4 working days
Inspection report and Approval	1 working day
Total	2-5 working days

4. COA Issuance

COA issuance upon payment (Type 1A, Type 1B and Type 2)	1 working day
COA issuance upon compliance of Post-shipment Inspection (1C)	1 working day

5. Inspection at Factory Storage Yard (For Method Type 2)

Issuing of Quotation	1-2 working days
Scheduling of inspection	1-2 working days
Inspection process	1-5 working days
Inspection report and Approval	1-2 working day
Total	4-11 working days

A large pile of aluminum scrap metal is being processed by a yellow excavator. The excavator's arm and bucket are visible, working on the scrap. The background is a clear blue sky.

10. INSPECTION ACTIVITIES

SIRIM'S INSPECTION ACTIVITIES

On-Board Inspection with acceptable cargo



SIRIM'S INSPECTION ACTIVITIES

Off-board inspection by containers

Measure Natural Background Radiation



Verify Container No.



Verify Seal No.



Verify All Goods of Aluminium



Measure Radiation Inside Container



Determination Materials using Magnet



Witness New Seal



SIRIM'S INSPECTION ACTIVITIES

Acceptable and Non-Acceptable Samples



Shredded metallic material > 5mm in size



Coated copper wire or coated aluminum wire

SIRIM'S INSPECTION ACTIVITIES

Acceptable and Non-Acceptable Samples



Uncoated copper material



**Electrical/electronic
waste material**



Cut wire cable

SIRIM'S INSPECTION ACTIVITIES

Acceptable and Non-Acceptable Samples



THANK YOU



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cserviceqas@sirim.my

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