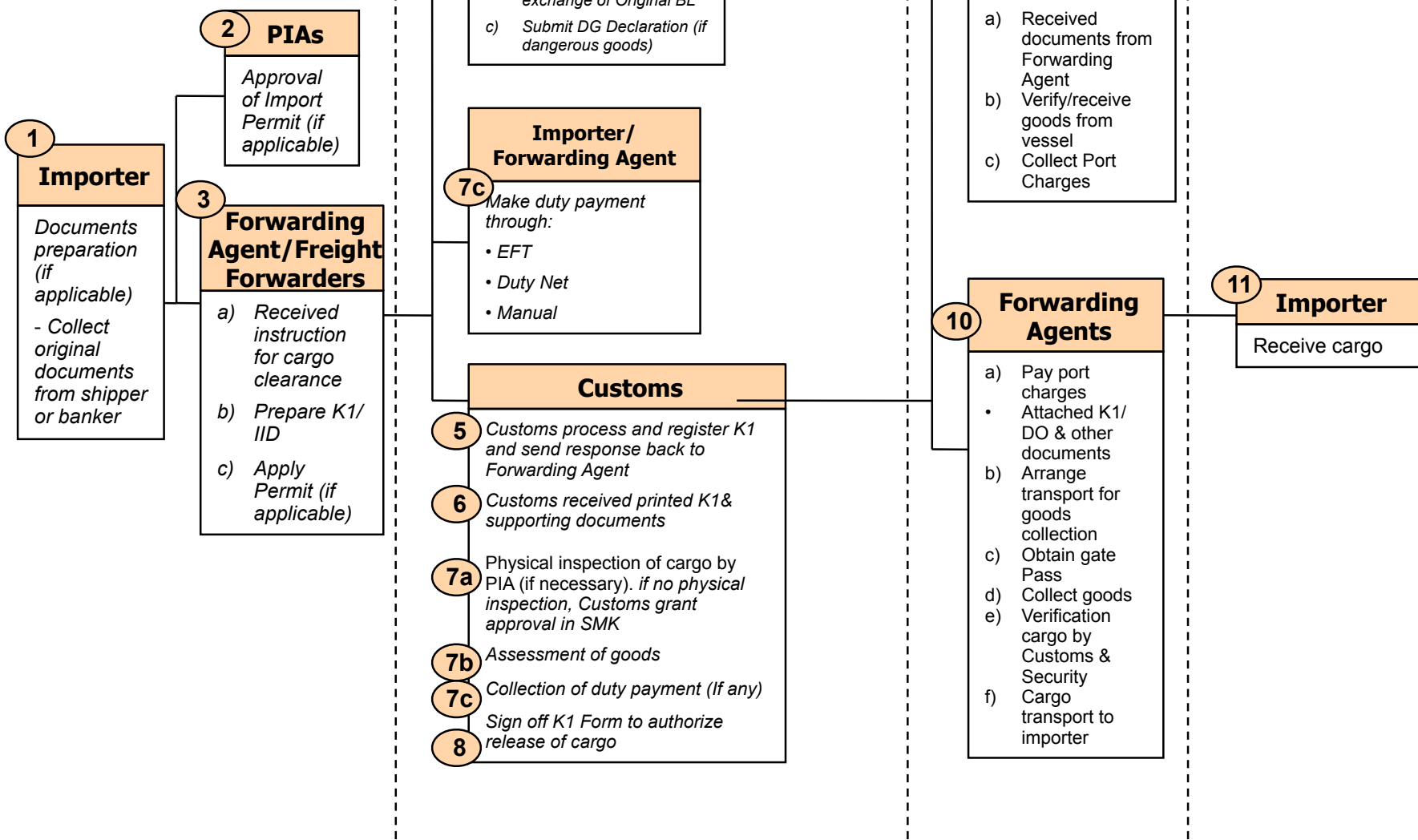


IMPORT FLOW FOR DRY BULK CARGO - (PORT KLANG)

Attachment 2a



| | | | |
|---------------------------------|--|---|--|
| 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"> - Collect shipping documents from banks (if applicable) - Apply import permit from PIAs (if applicable) | <ul style="list-style-type: none"> -Shipping Documents -Import Permit | <p>1 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</p> <p>Live implementation: 19</p> <p>Paperless: 16</p> <p>Coming on board: 4 – under development (1 peninsular, 3 Sarawak)</p> <p>2 – awaiting instruction from MOF</p> | -Import Permit | 1- 3 working days (details as attachment) | RM 5 (DNT) PIA's own Fees |
| 3 | <p>a) Importer instructs forwarding agent to clear cargo (together with supporting documents such as Bill of Lading, Permit, Invoice & Packing List)</p> <p>* Forwarding Agent perform document preparation if instructed by Importer</p> <p>* Forwarding Agent submit K1 electronically (CUSDEC) through SMK-DNT interface.</p> <p>b) Forwarding Agent prepare K1/K1A (for invoice value above RM20,000) and Integrated Import Document (IID)</p> <p>c) Forwarding Agent apply Permit (if applicable)</p> | <ul style="list-style-type: none"> -Bill of Lading -Permit -Invoice -Packing List <ul style="list-style-type: none"> -K1/K1A -IID <ul style="list-style-type: none"> -Permit (if applicable) | <p>1 day (all documents in order and for normal clearance)</p> <p>Preparation: 1 hour</p> | <i>RM1 per metric tonnes (negotiable depending on the volume)</i> |

A

| No | Process Flow | Document | Process Time | Cost |
|----|---|------------------------------------|--------------|-------------------------------|
| 4 | a) Shipping Agent send electronic manifest (e-manifest) (Ocean Bill of Lading) 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. | -E-manifest | Pre-arrival | EDI charges – RM30 per B/L |
| | b) Shipping Agent to release Delivery Order for exchange of original Bill of Lading. | -Delivery Order -Bill of Lading | | RM110 per exchange DO/B/L |
| | c) Shipping Agent submit DG Declaration (if dangerous goods) | -DG Declaration | | RM5 per transaction |

} **B**

| No | Process Flow | Document | Process Time | Cost |
|----|---|--|---------------------------|----------------------------|
| 5 | Customs computer system automatically processes & registers K1 and sends response back to Forwarding Agent with registration number | -K1/K1A Form | Response Time: 5 – 20 min | EDI charges: (RM30 per BL) |
| 6 | <p>Customs receipts Form K1/K1A and supporting documents for Customs clearance.</p> <p>i) Basic supporting documents : invoice, packing list and Delivery Order (DO).</p> <p>ii) Other supporting documents such as permit, CJ5/CJ5A depending on transaction type.</p> | <p>-K1/K1A Form</p> <p>-Delivery Order</p> <p>-packing list</p> <p>-invoice</p> <p>--Permit CJ5/CJ5A</p> <p>-BG/G Bond (only applicable during working days)</p> | 5 – 10 min. | No cost |
| 7a | Physical inspection of cargo by PIA (if necessary) | -K1 Form | 1 hour | No cost |
| 7b | <p>Assessment of goods by Senior Customs Officer to determine duties/taxes payable which includes the following processes :</p> <p>i) Verification of particulars declared against supporting documents;</p> <p>ii) Instruction for physical inspection – only during day light (if necessary);</p> <p>iii) Classification/Valuation;</p> <p>iv) Approval/Release</p> | <p>-K1/K1A Form</p> <p>-Permit</p> <p>-CJ5/CJ5A</p> | 5 – 20 min | No cost |

B

| No | Process Flow | Document | Process Time | Cost |
|----|---|--|--|--|
| 7c | <p>Collection of duty payment by Customs (if applicable)</p> <p>Forwarding Agent pays import duty on behalf of Importer via :</p> <p>i) Electronic Fund Transfer (which is only available during banking hours);</p> <p>ii) Duty Net (24 x 7, through CIMB); or</p> <p>iii) Manual (through cheque or bank draft)</p> | <p>-K1 Form</p> <p>-Invoice</p> <p>-Packing List</p> <p>-EFT Message: PAYMUL, - CREMUL,</p> <p>-Manual: bank draft or cheque</p> | <p>30 minutes</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>No cost</p> <p>EFT charges : RM15 per transaction</p> |
| 8 | <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 - auto-release after payment of duty/tax</p> | -K1 form | 2 – 5 min | No cost |

} B

| No | Process Flow | Document | Process Time | Cost |
|----|--|--|--------------------|-----------------------------|
| 9 | a) Port Operator receipts documents from Forwarding Agent. b) Port Operator verify/receipts goods from vessel. c) Port Operator collect Port Charges | -IID | 30 minutes per IID | Port charges: as per tariff |
| 10 | a) Forwarding Agent pays port charges to Port Operator * Attach K1/Delivery Order & other doc b) Forwarding Agent arrange transport for goods collection c) Forwarding Agent obtain Gate Pass for cargo from Port/ Terminal d) Forwarding Agent collect goods e) Verification of cargo and documents by Customs and Security at gate (IID, K1, Permit etc.) f) Cargo transport to importer | -IID -K1 -Delivery Order -Gate Pass -IID -K1/Permit | 30 minutes per IID | |
| 11 | Importer received cargo | | | |

} C

} D

Legend (Import Flow):

- PIAs – Permit Issuing Authorities
- FTA – Free Trade Agreement
- MOF – Ministry of Finance, Malaysia
- 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
- IID – Integrated Import Document
- SMK – Sistem Maklumat Kastam
- LMW – Licensed Manufacturing Warehouses
- * EFT – * Electronic Fund Transfer (applicable to only 8 banks)

*Participating banks: 1-8

1. Maybank;
2. CIMB Bank;
3. Public Bank Berhad;
4. RHB Bank;
5. EON Bank;
6. Alliance Bank;