

March 28, 2020

YB Datuk Seri Ir. Dr Wee Ka Siong
Minister of Transport
Ministry of Transport
No. 26, Jalan Tun Hussein, Presint 4,
62100 Putrajaya

Dear YB Datuk Seri,

Appeal to Permit Movement of ALL Containerised and Sealed Import and Export Cargo via Land, Sea and Air During Movement Control Order

Reference is made to our discussion via video conference this afternoon, March 28, 2020 on the above.

The Malaysia National Shippers Council (MNSC) welcomes the efforts made by the Ministry of Transport (MOT) by issuing the Media Statement dated March 26, 2020 to provide some clarity on the movement of import and export containers during the Movement Control Order (MCO) period for both essential and non-essential goods. Unfortunately, a number of areas however were still unclear and we note with concern that the directions in the Media Statement were not implemented effectively on the ground. We thank YB Datuk Seri for the discussion this afternoon and the opportunity to explain the issues faced by the shippers (exporters and importers) and logistics service providers and share the recommendations for more effective movement of all containerised and sealed import and export cargo via land, sea and air during the MCO period as follows:

1. Movement of Exports during MCO

Non-essential goods for export which have been ordered by international buyers before the implementation of the MCO and expected to be shipped are now sitting idle in factory warehouses which is highly detrimental to an export nation such as Malaysia. We commend MOT for allowing export activities to continue as exports are vital to ensure that supply chains are not severed and countries that need our exports will be able to continue receiving them.

MNSC would like to recommend that all export activities (including non-essential goods) be allowed to continue with the proof of contract/ export commitment and no restriction of time to be imposed in order to facilitate both service providers and shippers to finalise logistics arrangements and shipping schedules. To ensure movement of exports are not interrupted during the MCO period, we urge MOT to request police/ army to cooperate and permit movement of exports for non-essential goods to the ports and not to restrict employees involved in shipping arrangement (loading) at the factories. As these activities are namely related to logistics and warehouse operations and not manufacturing productions, it will involve minimal manpower. Proof of export including shipping documents and purchase order should suffice to allow both stuffing of containers at the factory premises and movement of cargo on the roads via land to Thailand and Singapore, airports and sea ports.

2. Movement of Imports During MCO

For movement of non-essential goods that have been imported before the implementation of MCO have arrived and stuck at the port we note that freight forwarders and haulage companies are allowed to move imported non-essential goods out of the ports for 24 hours per day between March 27, Friday and March 29, 2020, Sunday to be delivered to warehouse outside port area or to factory premises. Concerns have been raised by shippers and logistics service providers that a three-day period is too short especially for goods meant for destinations outside of Port Klang, Penang and Johor Ports.

MNSC would like to recommend that all import activities (including non-essential goods) be allowed to continue beyond March 29, 2020 as majority of orders have been placed before the MCO was in place and goods will continue to arrive at the ports even beyond the three-day period. To ensure movement of imports are not interrupted and ports do not become congested again during the MCO period, we urge MOT to permit imports of non-essential good for all ports and request police/ army to cooperate and permit movement of imports and not to restrict employees involved in shipping arrangement (unloading) at the factories. As these activities are namely related to logistics and warehouse operations and not manufacturing productions, it will involve minimal manpower. Proof of import including shipping documents should suffice to allow both unstuffing of containers at the factory premises and movement of cargo on the roads via land to Thailand and Singapore, airports and sea ports.

Malaysian National Shippers' Council

c/o Federation of Malaysian Manufacturers

Wisma FMM, No.3, Persiaran Dagang, PJU 9, Bandar Sri Damansara, 52200 Kuala Lumpur

Tel: 03 – 6286 7200 Fax: 03 – 6274 1266 / 7288 E-mail: shamini@fmm.org.my; ai_joo@fmm.org.my

3. **Waiver of storage/removal/demurrage charges**

We thank both Northport and Westports for agreeing to waive the storage charges for the period of March 16 to March 29, 2020. As YB Datuk Seri is aware due to the MCO no factories can be opened for production unless approval has been obtained from the Ministry of International Trade and Industry (MITI) and therefore all factories producing non-essential goods are prohibited from operating during MCO even though as cargo owners they urgently wish for the cargo to be delivered to the factory. In this regard, we urge Port Authorities to consider shippers plight and we urge all ports to waive all storage/removal/demurrage charges over the extended MCO period until April 14, 2020.

We thank YB Datuk Seri for your kind consideration and intervention in this matter.

Yours sincerely



Dato' Dr Ir Andy Seo
Chairman

Copy:

YBhg Datuk Isham Ishak
Secretary General
Ministry of Transport

Capt. K. Subramaniam
General Manager
Port Klang Authority

Puan Monaliza binti Suhaimi
General Manager
Penang Port Commission

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Tel: 03 – 6286 7200 Fax: 03 – 6274 1266 / 7288 E-mail: shamini@fmm.org.my; ai_joo@fmm.org.my

Muhammad Razif bin Ahmad
General Manager
Lembaga Pelabuhan Johor

Tuan Hj. Mohd. Tahir Hj. Lasuki
General Manager
Sabah Ports Authority

Tuan Zulkurnain Bin Ayub
General Manager
Lembaga Pelabuhan Bintulu

YBhg Dato' Khairul Anuar Bin Abdul Rahman
General Manager
Kuantan Port Authority / Kemaman Port Authority

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Tel: 03 – 6286 7200 Fax: 03 – 6274 1266 / 7288 E-mail: shamini@fmm.org.my; ai_joo@fmm.org.my