

The Basics *Malaysian Import, Export and Customs Compliance*

Introduction

Customs dealing has a direct impact on the operational costs, smooth supply chain and compliance level of a manufacturing company. In the manufacturing environment, companies are typically involved in the importation of raw materials, components, machinery, spare parts and packaging materials, in addition to exporting finished products to overseas markets. Each of these transactions involves documentation requirements, classification of goods, determination of customs values, review of permits as well as compliance with the conditions set by the authorities. Errors in the use of the HS Code, determination of customs values, selection of permits, preparation of documents or the use of customs facilities and exemptions can lead to delays in the release of goods, disruption to production schedules, claims of additional duties and taxes as well as the risk of compliance actions. In certain circumstances, weaknesses in documentation or inaccurate information can also increase the risk of review or audit by Customs. This two-day programme was developed to provide a practical understanding of the basics of Malaysian customs based on the Customs Act 1967 [Act 235], the Customs Regulations 2019 as well as related subsidiary legislation. The programme approach emphasises the real-world situation close to the operations of manufacturing companies so that participants can understand not only the legal requirements, but also how the principles of customs should be applied in daily tasks involving Procurement, Logistics, Warehouse, Finance, Production and Compliance.

Program Objectives

- Understand the basics of the Malaysian customs system and legislation related to the manufacturing sector.
- Understand the principles of the HS Code, tariff classification, customs value, duties and related excise.
- Understand the processes, documents, permits and facilities involved in import and export activities.
- Improve the ability to identify non-compliance risks and necessary internal controls.

Learning Outcomes

- Explain the role of RMCD and the basic responsibilities of importers and exporters.
- Identify the information needed to determine the HS Code and the classification of goods.
- Explain the basics of determining the value of customs as well as the calculation of duties and taxes.
- Identify documents, permits, restrictions and facilities related to imports and exports.
- Identify common errors and control actions to reduce compliance risks.

Who is it for?

Procurement/Purchasing, Logistics/Shipping, Supply Chain, Warehouse, Finance & Accounts, Production/Planning, Engineering, Import-Export, Compliance, Internal Audit, supervisors and operations managers.

Program Framework

Day One

Session	Time	Title	Brief Explanation
Session 1	9.00 - 10.30 am	Malaysian Customs System and Customs Act 1967	Introduction to RMCD, customs legal framework, import and export concepts, company responsibilities as well as the role of customs agents and forwarding agents.
Session 2	10.30 am - 1.00 pm	HS Code and Tariff Classification	HS Code structure, classification principles, importance of technical specifications and common errors in classifying raw materials, components, machinery and spare parts.
Session 3	2.00 - 3.30 pm	Value of Customs, Duties and Taxes	The basics of customs valuation, transaction value, freight, insurance, value adjustment as well as the relationship between customs value, import duties and related taxes.
Session 4	3.30 - 5.00 pm	Import Process, Documents and Permits	Import flow from Purchase Order to customs clearance, key documents, inspection of prohibited or controlled goods as well as permit and approval requirements.

Day Two

Session	Time	Title	Brief Explanation
Session 5	9.00 - 10.30 am	Export, Origin and FTA Process	Export process, supporting documents, Certificate of Origin, basic Rules of Origin and the use of preferential tariffs under the relevant FTA.
Session 6	10.30 am - 1.00 pm	Customs Facilities for Business	Introduction to exemptions, facilities for raw materials and machinery, Licensed Manufacturing Warehouses (GPB/LMW) as well as basic sales tax matters related to manufacturers.
Session 7	2.00 - 3.30 pm	Compliance, Records and Customs Audits	Risk of HS Code errors, inaccurate values, incomplete documents, abuse of exceptions, record keeping, internal review and preparation to face a Customs audit.
Session 8	3.30 - 5.00 pm	Import-Export Case Study of Companies	The comprehensive training involves the import of raw materials and machinery, determination of HS Code and value, review of permits, use of facilities as well as export of finished products.