



# GUIDELINES FOR IMPORTATION & INSPECTION OF METAL SCRAP

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SIRIM QAS International



[sirim-qas.com.my](http://sirim-qas.com.my)





# SIRIM BERHAD

## Group of Companies

Wholly-owned  
by MOF Inc.

Under purview  
of MITI



PACKAGING & SECURITY  
DESIGN CENTRE  
(PSDC)



SIRIM  
INDUSTRIAL  
RESEARCH  
(SIRIM IR)



### COMMERCIAL

- Conformity Assessment (**T**esting, **I**nspection & **C**ertification)
- Training and Consulting
- Standard Research and Development
- Calibration and Measurement
- Entrepreneur Development
- Packaging and Security Design
- 2 Commercialization Services

### DEVELOPMENTAL

- Industrial Research
- Technology Innovation
- Technology Services
- Design Activities
- Design Advisory

### STATUTORY

- Measurement and Traceability
- R&D in Measurement Technology & Measurement Standard



An aerial photograph of a large, modern building complex. The central building has a blue roof with the word "SIRIM" written in large, bold, yellow letters. The building is surrounded by parking lots filled with cars, green landscaping with trees and shrubs, and a paved walkway. The overall scene is brightly lit, suggesting a sunny day.

# ABOUT US

- Established in **1996** as a wholly-owned subsidiary of SIRIM Berhad
- Have been providing **conformity assessment** services since 1970s when these services were provided as a division of SIRIM
- Staff strength: **800++**
- No. of certifications issued: more than **9,000**
- **Malaysian based**, international accreditation and recognition  
Local and international clients in countries such as Thailand, Singapore, Brunei, Indonesia, Vietnam, Myanmar, Korea, Philippines, China, Taiwan, Japan, India, Sri Lanka, Australia, New Zealand, Germany, UAE and Spain



# ACCREDITATIONS & RECOGNITIONS

- SIRIM QAS International is an accredited service provider under local and international bodies that demonstrate a high degree of competency, impartially and credibility in the area of conformity assessment.
- The certification, inspection and testing services offered by SIRIM QAS International are conducted in accordance with international standards.
- These accreditations and recognitions facilitate the acceptance of our certifications and test reports locally and abroad.



# OUR SERVICES



## CERTIFICATION

- Management System Certification
- Product Certification
- Personnel Certification

## TESTING

- Product compliance testing to standards, regulatory requirements and specifications

## INSPECTION

- Engineering Inspection
- Inspection on behalf of other CBs
- Other 3rd party inspections



## GUIDELINES FOR IMPORTATION AND INSPECTION OF METAL SCRAP





## INTRODUCTION

- Under the purview of Ministry of International Trade and Industry (MITI), all metal scrap intended to be imported into Malaysia are subjected to **inspection process** and issuance of **Certificate of Approval (CoA)** as per Customs (Prohibition of Imports) Order 2017 .
- This Guideline **specifies the requirements** that **must be adhered to** for the importation, inspection and CoA issuance for metal scrap into Malaysia for manufacturing purposes along with the objective of protecting the environment.
- This Guideline also provides information on **metal scrap criteria** (including scheduled wastes and other impurities) that are allowable to be imported.



## SCOPE OF APPLICATION

- This Guideline covers **all incoming importation** of metal scrap into Malaysia intended for manufacturing purposes in various fields, particularly, iron & steel, aluminum and copper manufacturers.
- The tariff codes for metal scrap allowed for importation are as follows:
  - i. **HS 7204** : Ferrous waste and scrap; remelting scrap ingots of iron or steel
  - ii. **HS 7404**: Copper waste and scrap
  - iii. **HS 7602**: Aluminium waste or scrap
- The imported metal scrap **must not contain** or be contaminated by materials that allow it to be:
  - i. classified as **scheduled waste** under the Environmental Quality Act (Scheduled Waste) Regulations 2005; or/and
  - ii. defined as **hazardous materials** or other wastes under the Basel Convention.





## SCOPE OF APPLICATION ..Cont'd

- Application of metal scrap imports can only be made by
  - i. Manufacturers approved with **Manufacturing License** from MITI.
  - ii. Manufacturers who are exempted from Manufacturing License from MITI but issued with Exemption from Manufacturing License from Malaysian Investment Development Authority (MIDA) **(ICA10)**
  - iii. Third parties or subsidiary of the iron and steel manufacturers, aluminium = or copper manufactures who conduct trading activities **(trading arm companies)**. Trading arm companies must have proof of document importing on behalf of manufactures as follows:
    - **approved invoices** from ML holders or ICA10 manufacturers; and
    - **Memorandum of Agreement (MoA)** with ML holders or ICA10 manufacturers.
- The following parties are not allowed to import metal scrap into Malaysia:
  - Manufactures that do not fulfill requirements specified in i. and ii. above.
  - Traders purely undertaking trading activities



## SCOPE OF APPLICATION ..Cont'd

- The importation of metal scrap into Malaysia is only **allowed via sea mode** of transport at all ports of entry in Malaysia.
- Importation via **land** as mode of transport is **not allowed**.



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION

If you are a manufacturer:

- ✓ Must have a valid **Manufacturing License (ML)** or a Confirmation Letter that the Company is exempted from Manufacturing License **(ICA 10)** issued by MIDA.
- ✓ Hold a License under **SIRIM Certification / Eco-Label scheme** or undertake **inspection/verification services** at manufacturing premises from SIRIM.
- ✓ Ensure that the applied imported metal scrap volume is based on **quota** of raw material required, not exceeding maximum annual production capacity of ML holders or ICA10 manufacturer.
- ✓ Provide SIRIM with a **Bank Guarantee**. This Bank Guarantee will be determined based on per shipment/consignment of imported value to ensure compliance of the rules imposed through this Guideline.
- ✓ The premises are in operations and have **complied** with the Environmental Quality Act 1974 and its related Regulations.
- ✓ Ensure that the **storage space** / capacity of imported metal scrap materials is adequate, covered and good housekeeping is practiced.
- ✓ Ensure that the imported metal scrap is **not contaminated** with any scheduled waste, hazardous materials or other impurities that can cause the recycling process to be carried out not in an environmentally sound manner.



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd



Criteria imposed is as per table below:

- **HS Code 7204** (Ferrous waste and scrap; remelting scrap ingots of iron or steel)

No	Criteria Grouping	Requirement (% by weight)
1.	Solid Ferrous	Minimum: 94.75%
2.	Solid Non- Ferrous	Maximum: 5.0 %
3.	Solid Plastics	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
5.	Other Impurities	0%
	Total	100%





## PRE-CONDITIONS/ PRE-QUALIFIERS FOR COA APPLICATION... Cont'd



Criteria imposed is as per table below:

- **HS Code 7404** (Copper waste and scrap)

No	Criteria Grouping	Requirement (% by weight)
1.	Solid Non- Ferrous	Minimum: 94.75%
2.	Solid Ferrous	Maximum: 5.0 %
3.	Solid Plastics	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
5.	Other Impurities	0%
	Total	100%



Criteria imposed is as per table below:

- **HS Code 7602** (Aluminium waste or scrap)



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd



No	Criteria Grouping	Requirement (% by weight)
1.	Solid Non- Ferrous	Minimum: 94.75%
2.	Solid Ferrous	Maximum: 5.0 %
3.	Solid Plastics	Maximum: 0.25%
4.	Scheduled waste including electrical and electronic	0%
5.	Other Impurities	0%
	Total	100%



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd

- In general cases, the expected total shipment weight of metal scrap (**solid ferrous & solid non-ferrous**) will be up to **99.75%**.
- **All scheduled wastes** (SW1, SW2, SW3, SW4, and SW5) under First Schedule, Environmental Quality (Scheduled Wastes) Regulations are **not allowed** to be imported.
- **Crushed form** of metal scrap is **not allowed** for importation.



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd

If you are a manufacturer (cont'd):

- Apply **Pre-shipment inspection** to SIRIM or any accredited Foreign Inspection Body (FIB) to inspect each consignment before shipment to ensure that the metal scrap **does not contain** or is **contaminated** with **hazardous materials** that allow it to be subjected to hazardous materials or any waste under the Basel Convention, and does not contain other impurities.
- Apply to SIRIM for CoA and undertake **Post-shipment inspection** at port of entry in Malaysia.





## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd

In the **event of non-compliance**, manufacturer will have to:

- **Return** the imported metal scrap to the **country of origin**.
- **Bank Guarantee** provided for CoA application **will be void** if this Guideline is not complied with or false declaration is made. The Bank Guarantee will be used by SIRIM as transportation and incidental costs particularly for shipment that will have to be returned to the country of origin.
- Ensure that the **management of e-waste** (SW110) resulting from segregation work (segregation) is handled in accordance with the requirements of the Environmental Quality (Scheduled Waste) Regulations 2005.
- Conduct an **environmental audit** based on Section 33A of the Environmental Quality Act 1974 on e-waste management.



## PRE-CONDITIONS/ PRE-QUALIFIERS FOR CoA APPLICATION... Cont'd

If you are a **Trading Arm Company** or a third party importer:

- Must have **approved invoices** from ML holders or ICA10 manufacturers, and **Memorandum of Agreement (MoA)** with ML holders or ICA10 manufacturers.
  - Ensure the imported metal scrap volume is proportionate to the **quota** of ML Holders/ ICA10 accorded based on their annual production capacity
- **Apply Pre-shipment inspection** to SIRIM or any accredited Foreign Inspection Body to inspect each consignment before shipment to ensure that the metal scrap does not contain or is contaminated with scheduled waste, hazardous materials that allow it to be subjected to hazardous materials or any waste under the Basel Convention, and does not have other impurities.
- **Apply to SIRIM for CoA** and undertake **Post-shipment inspection** at port of entry in Malaysia.
  - In the event of **non-compliance**, the trading arm company or a third party will have to:
    - **Return** the imported metal scrap to the **country of origin**.
    - Have the **Bank Guarantee** for the purposes of returning metal scrap to country of origin by the applicant in the event of non-compliances to these Guidelines.



**PRE-CONDITIONS/  
PRE-QUALIFIERS  
FOR CoA  
APPLICATION...  
Cont'd**

If you are Shipping and Logistics Agents, Cargo Transport and Carriers / Shipping Liners :

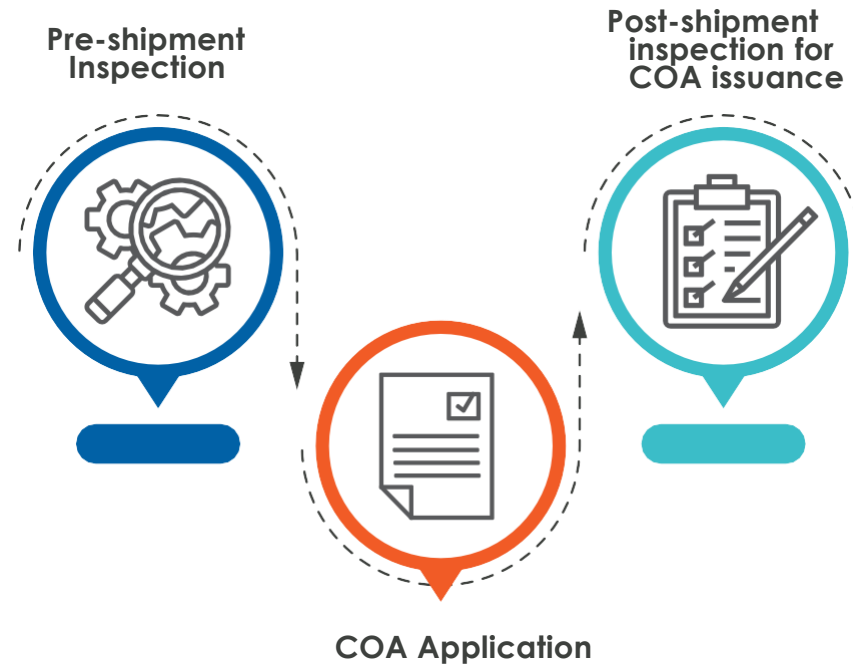
- Ensure that the declared consignee is a manufacturer or trading arm companies that has a **valid premise** and **relevant licenses**.
- Ensure that the **declaration of goods is true** based on declaration made for transported genuine goods.



## PROCEDURE FOR IMPORTATION AND INSPECTION OF METAL SCRAP INTO MALAYSIA

Applicants are required to undergo all three (3) processes for every shipment before imported metal scrap can be cleared into Malaysia.

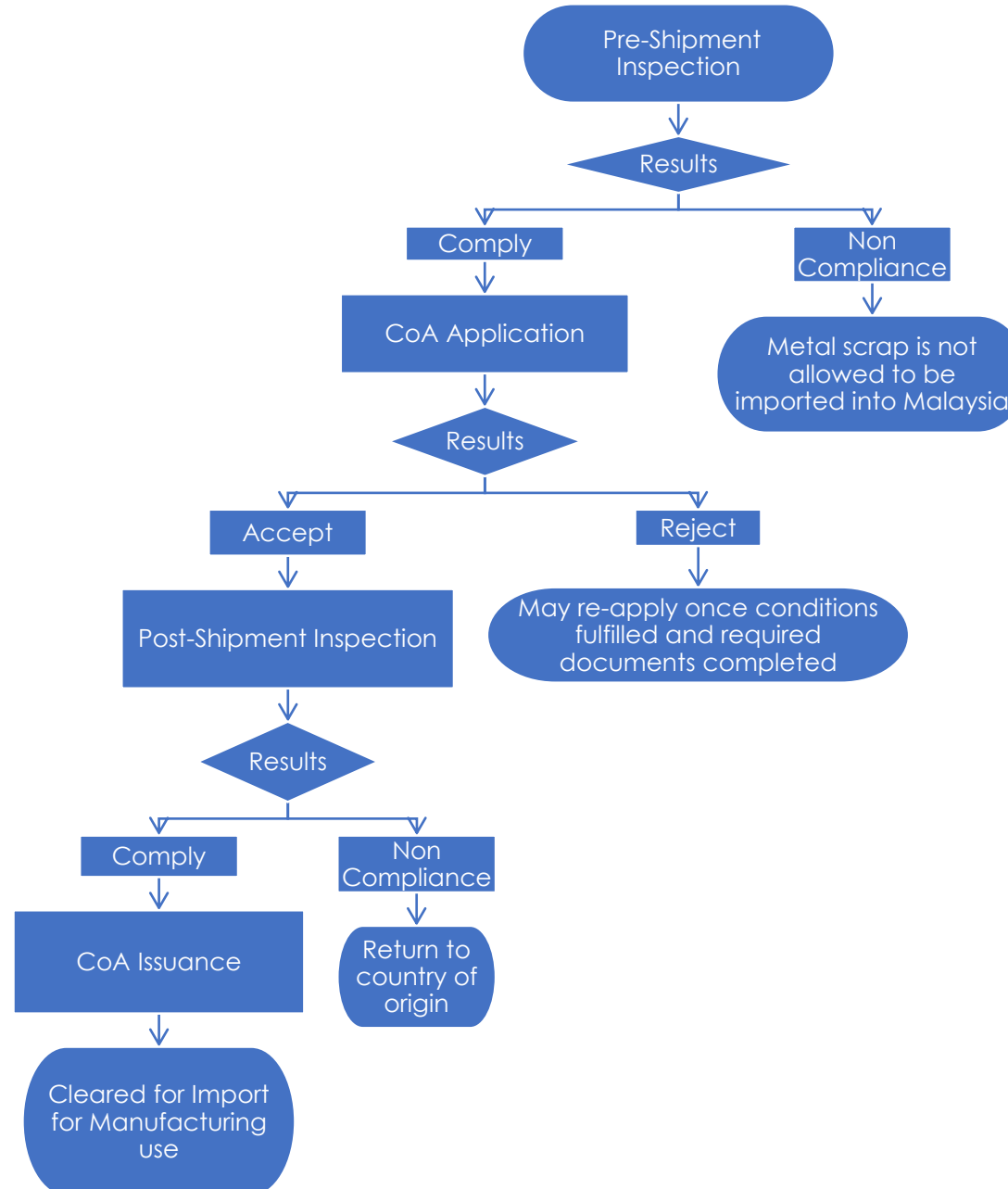
- i. Pre-shipment inspection.
- ii. CoA Application.
- iii. Post-shipment inspection for CoA issuance.







# OVERVIEW OF THE PROCESSES FOR IMPORTATION OF METAL SCRAP INTO MALAYSIA





## PRE-SHIPMENT INSPECTION PROCESS

- Applicant must apply Pre-shipment inspection to be conducted at the country of origin by:
  - (i) SIRIM or ;
  - (ii) Foreign Inspection Body (FIB) of preference that are available in SIRIM's "Approved Foreign Inspection Body (FIB)" list.
- Applicant may also use other accredited Inspection Body but must ensure the Inspection Body is successfully registered with SIRIM before they can conduct the Pre-shipment inspection.
- SIRIM will not accept the Inspection Report issued by an unregistered Inspection Body.



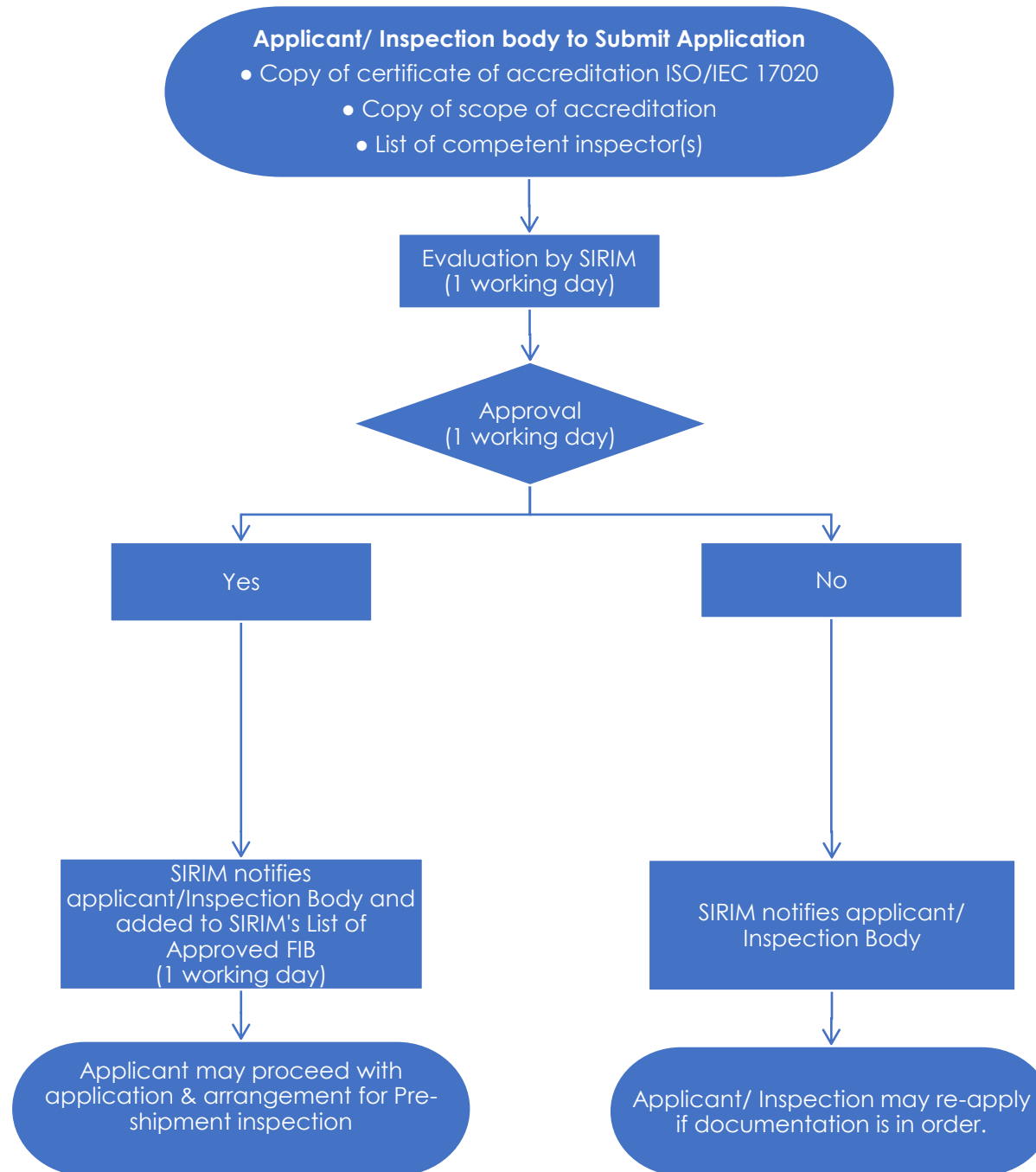
## REGISTRATION OF FOREIGN INSPECTION BODY (FIB)

- An Inspection Body can be registered as FIB under SIRIM's "Approved Foreign Inspection Body (FIB)" list by the following methods:
  - (i) an applicant applying to register on behalf of the Inspection Body or;
  - (i) The Inspection Body applying directly to SIRIM.
- The applicant or Inspection Body must submit the following documents for registration:
  - (i) Copy of certificate of accreditation ISO/IEC 17020
  - (ii) Copy of scope of accreditation
  - (iii) List of competent inspector(s)
- SIRIM will evaluate only completed documents for registration approval .

SIRIM will notify the applicant/ Inspection Body and include the Inspection Body in SIRIM's "Approved Foreign Inspection Body (FIB)" list. SIRIM will also notify applicant/Inspection Body in the case of rejection.



# REGISTRATION OF FOREIGN INSPECTION BODY (FIB) FLOWCHART







## PRE-SHIPMENT INSPECTION PROCESS... Cont'd

- Applicant to proceed with application and arrangement for Pre-shipment inspection to SIRIM or FIB.
- Upon completion of the inspection, the Pre-shipment inspection report will be issued to the applicant.
- The **Pre-shipment inspection report** (issued by FIB or SIRIM) must contain information on:
  - Visual inspection of the vessel transporting the metal scrap.
  - Evidences such as photos of inspection and metal scrap.
  - Visual evidence of loading of the metal scrap including the final condition of the metal scrap (inside vessel or container)
  - Visual evidence of segregation and grouping
  - Verification of shipping documents (K1 form, Invoice, packing list & bill of lading) and Manufacturing License (ML) or Confirmation Letter for a Company Exempted from Manufacturing License (ICA 10) issued by MIDA.
  - Method of sampling
  - Segregation, calculation, interpolation, weighing.
  - Testing report on metal scrap classification, scheduled wastes, other impurities and hazardous elements (if applicable)

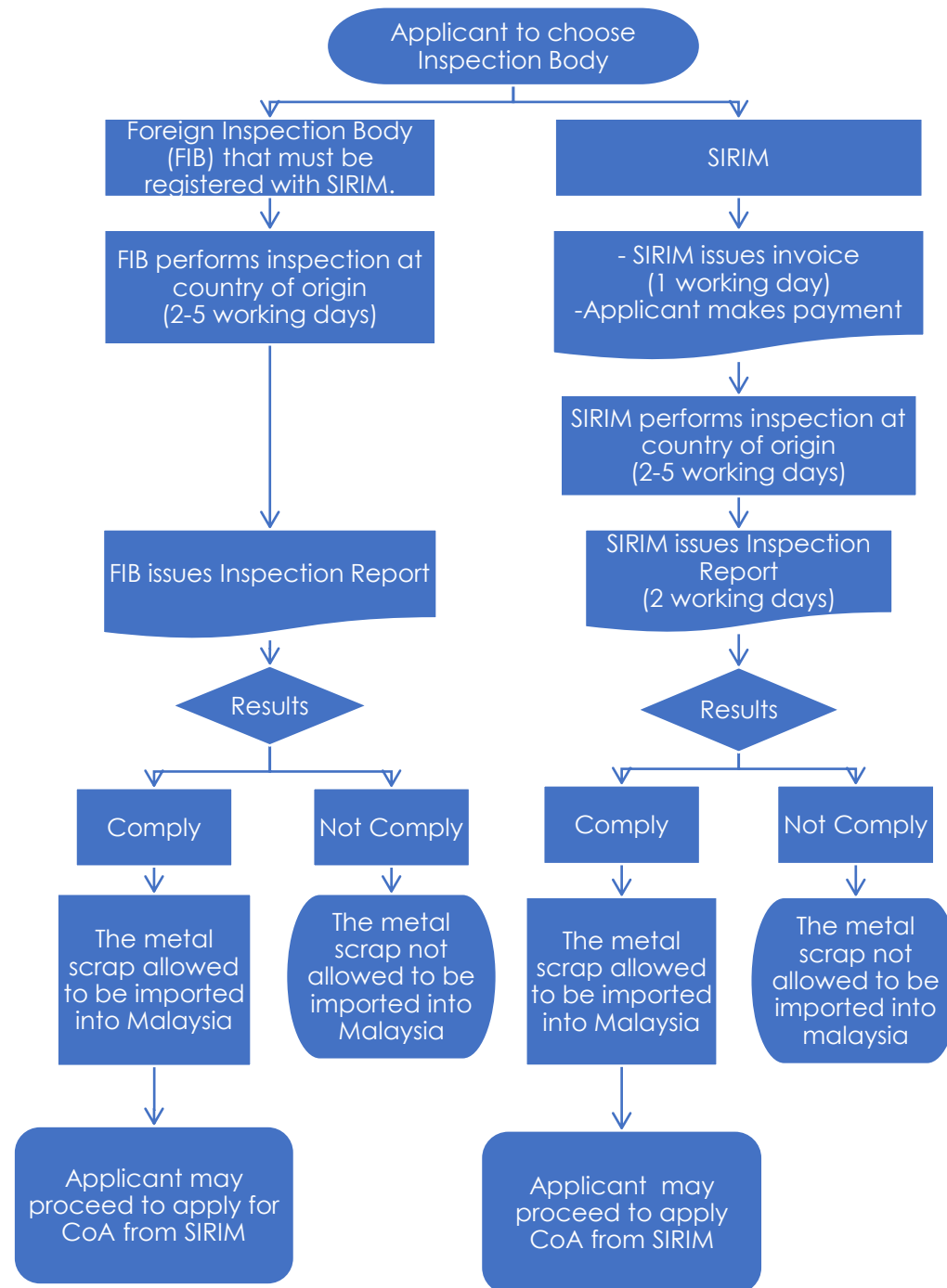


## PRE-SHIPMENT INSPECTION PROCESS... Cont'd

- If the Pre-shipment inspection results **do not comply** with this Guideline, the metal scrap is **not allowed to be imported** into Malaysia.
- If the Pre-shipment inspection results **comply** with this Guideline, the metal scrap is **allowed to be imported** into Malaysia and the applicant may proceed to apply for CoA from SIRIM.
- The Pre-shipment inspection report is **valid for three (3) months**.



# PRE-SHIPMENT INSPECTION PROCESS FLOWCHART





## APPLICATION FOR CERTIFICATE OF APPROVAL (CoA)

- For manufacturers, documents to be submitted for application of CoA are as follows:
  - Certified True Copy from the RMCD of shipping documents (K1 form, Invoice, Packing list & Bill of lading)
  - Valid Pre-shipment inspection report
  - Proof of manufacturing license (ML) or Confirmation Letter for a Company Exempted from Manufacturing License (ICA 10) issued by MIDA.



## APPLICATION FOR CERTIFICATE OF APPROVAL (CoA)...

(Cont'd)

- For **trading arm companies**, documents to be submitted for application of CoA are as follows:
  - **Certified True Copy** from the RMCD of **shipping documents** (K1 form, Invoice, Packing list & Bill of lading)
  - **Valid** Pre-shipment inspection report
  - **Proof** of manufacturing license (**ML**) or Confirmation Letter for a Company Exempted from Manufacturing License (**ICA 10**) issued by MIDA.
  - **Verified invoice** from ML holders or ICA 10 manufacturers and Memorandum of Agreement (**MoA**) with ML holders or ICA 10 manufacturers



## APPLICATION FOR CERTIFICATE OF APPROVAL (CoA)

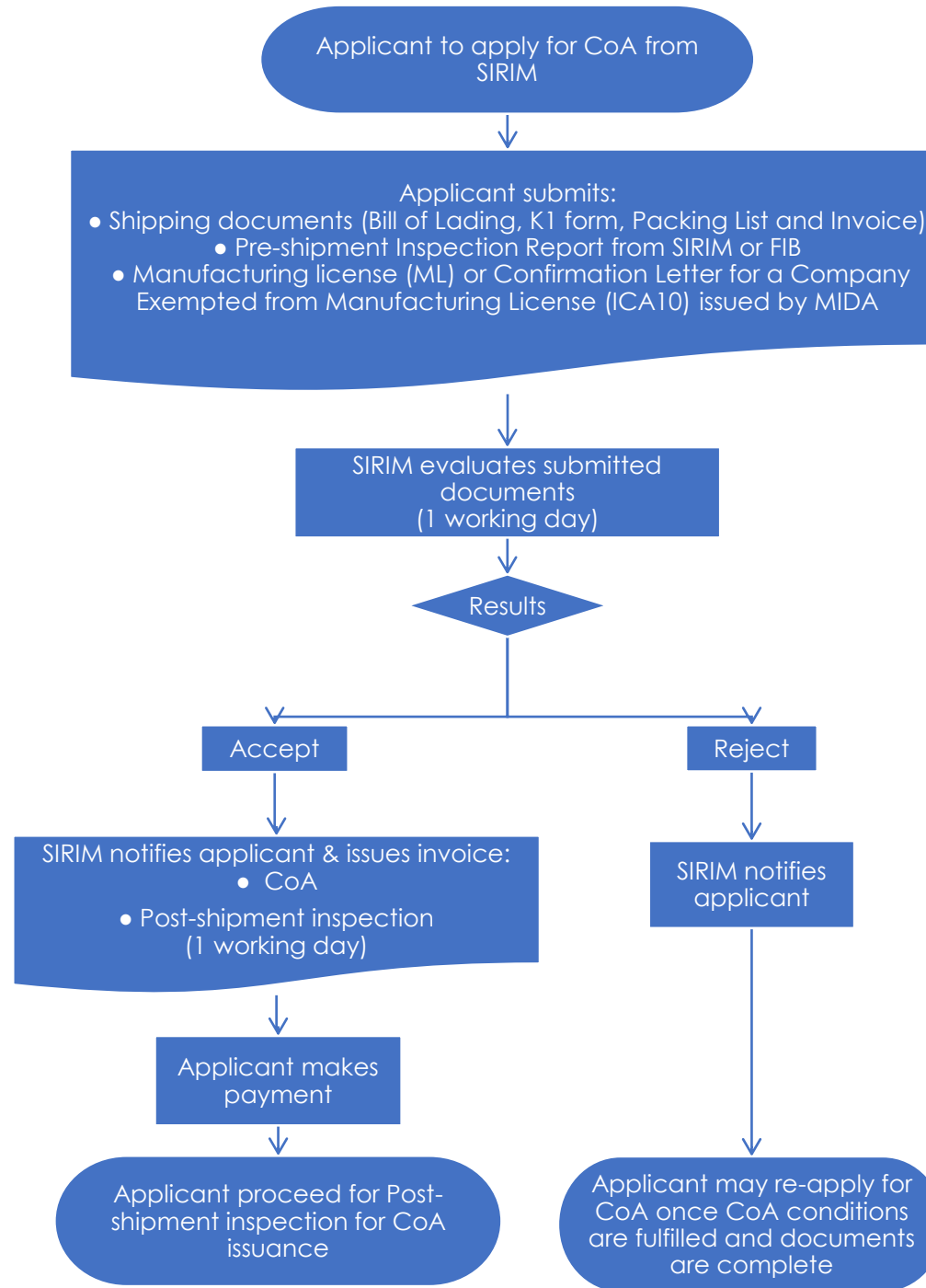
SIRIM will **evaluate** completed documents submitted by the applicants for CoA. **Non-satisfactory** information or incomplete application will be **rejected**. Re-application is allowed should CoA conditions be fulfilled and the required documents are complete.

- Upon acceptance of CoA application, SIRIM will notify and issue an **invoice** to the applicant, and applicant must make **payment** for the following fees:
  - (i) CoA; and
  - (ii) Post-shipment inspection
- Once SIRIM receives payment from the applicant, applicant can proceed with Post-shipment inspection process before CoA can be issued.





## APPLICATION FOR CERTIFICATE OF APPROVAL (CoA) FLOWCHART





## POST-SHIPMENT INSPECTION FOR CoA ISSUANCE

- Applicant must undertake Post-shipment inspection process (on-board inspection) by SIRIM for all imported metal scrap into Malaysia at port of entry before CoA can be issued.
- Post-shipment inspection must be performed by an authorized inspector.
- Applicant must **notify SIRIM** the time and date for inspection at least **three (3) days** in advance.
- Applicant must arrange for Post-shipment inspection activity **on-board**.
- Applicant must provide **“ORIGINAL” Shipping Documents** i.e Pre- shipment inspection report, K1 Form, Invoice, Packing List & Bill of Lading) during the inspection.



## POST-SHIPMENT INSPECTION FOR CoA ISSUANCE... (Cont'd)

- Post-shipment inspection must be conducted on-board and will involve the following:
  - i. Visual Inspection
  - ii. Segregation
    - All cost of metal scrap segregation and manpower for segregation works must be paid by applicant. These segregation works must be witnessed by the authorized inspector.
    - Segregation of metal scrap must be done as follows (if imports contain all of these in the shipment):
      - Solid ferrous
      - Solid non-ferrous
      - Solid plastics
      - Scheduled waste including electrical and electronic waste
      - Other Impurities



## POST-SHIPMENT INSPECTION FOR COA ISSUANCE... (Cont'd)

- Upon completion of Post-shipment inspection, SIRIM will issue an **inspection report** to the applicant that will contain information on:
  - Verification of Pre-shipment inspection report
  - Evidences such as photos of inspection and metal scrap.
  - Visual inspection of the vessel transporting the metal scrap.
  - Visual evidence of segregation and grouping.
  - Verification and evidence of shipping documents (K1 form, Invoice, packing list & bill of lading) and Manufacturing License (ML) or Confirmation Letter for a Company Exempted from Manufacturing License (ICA 10) issued by MIDA.
  - Method of sampling.
  - Segregation, calculation, interpolation, weighing.
  - Testing report on metal scrap classification, scheduled wastes, other impurities and hazardous elements (if applicable)

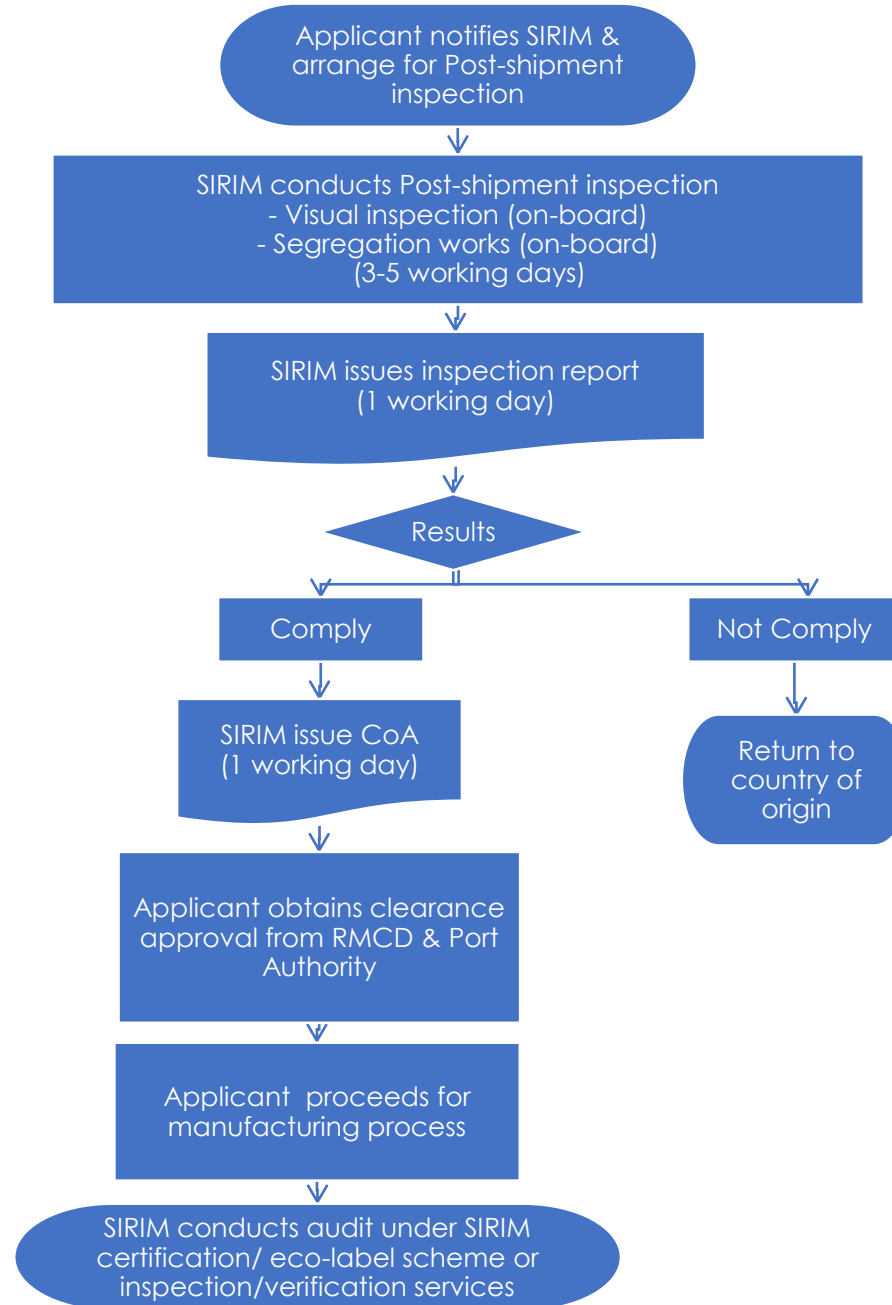


## POST-SHIPMENT INSPECTION FOR CoA ISSUANCE... (Cont'd)

- If Post-shipment results **do not comply** with the requirements under this Guideline, the applicant will have to **return** the imported metal scrap to the **country of origin** at their own cost.
- If Post-shipment results **comply** with the requirements under this Guideline, **SIRIM will issue the CoA**.
- Upon issuance of the CoA, the applicant can proceed to obtain **clearance approval** from RMCD and Port Authority to unload and deliver the imported metal scrap to designated/manufacturer premises for manufacturing process.
- SIRIM will undertake **audit checks** on the manufacturer's premises under **SIRIM Certification/Eco-Label scheme** or conduct **inspection/verification** services at manufacturing premises.



## POST-SHIPMENT INSPECTION FOR CoA ISSUANCE FLOWCHART







## SAMPLING PLAN FOR INSPECTION

- Authorized inspector will select samples from each grouping according to **MS ISO 2859-1**, Sampling Plan according to General Inspection Level II and Acceptance Quality Limit (AQL) 6.5. Samples to be weighing and calculated the percentage of waste from the incoming various scrap.



## SIRIM SCHEDULE OF FEES

### i) Pre-Shipment Inspection by SIRIM

No	Description	Fee (RM)
1.	First 3000 MT	6,000 / Shipment
2.	Subsequent Weight (>3000 MT)	1.80 / Ton
3.	Inspection Report	500.00 / Shipment
4.	Incidental	As charged, where applicable for accommodation, living allowances and transportation/mileage



# SIRIM SCHEDULE OF FEES

## ii. CoA Fee

No	Description	Fee (RM)
1.	New application fee & Issuance of Certificate of Approval (CoA) / Shipment (Payable upon application & non-refundable)	350 / Shipment



# SIRIM SCHEDULE OF FEES

## iii) Post-shipment inspection (On-board) Fee

No	Description	Fee (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.	Incidental  SIRIM at its discretion will assign an authorized inspector from SIRIM branch that nearest to the Port of Entry.	Refer Table 1: Incidental for Post-shipment inspection (On-board)



# SIRIM SCHEDULE OF FEES

TABLE 1: INCIDENTAL FOR POST-SHIPMENT INSPECTION (ON-BOARD)

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 Langsung 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)



## CLIENT CHARTER

### a. Registration of Foreign Inspection Body (FIB)

Evaluate Foreign Inspection Body	1 working day
Approval of Foreign Inspection Body	1 working day
Register in SIRIM Approved FIB list	1 working day

### b. Pre-Shipment Inspection by SIRIM

SIRIM issue invoice	1 working day
SIRIM performs inspection at Country of Origin	2-5 working days
SIRIM Issue inspection report to Applicant	2 working days

### c. Application for CoA

SIRIM evaluates submitted shipping documents	1 working day
SIRIM issues invoice for CoA and Post-shipment inspection (including Post-shipment)	1 working day

### d. Post-shipment inspection and CoA Issuance

Post-shipment inspection (On-board)	3-5 working days
Inspection report and Approval	1 working day
SIRIM issues CoA	1 working day





**Thank You**  
for your kind attention



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