

Trade & Customs 2020

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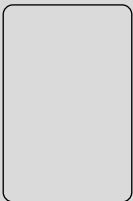
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Trade & Customs 2020

Contributing editor

Gary N Horlick

Law Offices of Gary N Horlick

Lexology Getting the Deal Through is delighted to publish the eighth edition of *Trade & Customs*, which is available in print, as an e-book, and online at www.gettingthedealthrough.com.

Lexology Getting the Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting the Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting the Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editor, Gary N Horlick of Law Offices of Gary N Horlick, for his continued assistance with this volume.



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LEGAL FRAMEWORK

Domestic legislation

1 | What is the main domestic legislation as regards trade remedies?

The main domestic legislation regarding trade remedies is:

- the Countervailing and Anti-Dumping Duties Act 1993;
- the Safeguards Act 2006; and
- the Strategic Trade Act 2010.

There is also subsidiary legislation (regulations, orders) issued thereunder.

International agreements

2 | In general terms what is your country's attitude to international trade?

Malaysia has been active in its involvement in international trade and has become one of the major trading nations in the world. International trade is a key contributor to Malaysia's economic growth and development.

Malaysia's main exports include electrical and electronics products, chemicals, machinery, appliances and manufactured metals. In terms of natural resources, Malaysia exports crude oil, liquefied natural gas, palm oil and natural rubber. In return, the country imports mainly electronics, machinery, petroleum products, plastics, vehicles, iron and steel products and chemicals.

In 2018, Malaysia's annual exports rose by 6.7 per cent to 998.01 billion ringgit, surpassing the earlier target of 4.4 per cent. The stronger-than-expected growth in 2018 was due to the expansion in manufactured and mining exports by 9.1 per cent and 7.1 per cent respectively. The growth in these areas have compensated for the lower performance of agriculture goods.

Malaysia's main trading partners are the United States, the European Union, Thailand, Singapore, Japan and China.

Malaysia is a founding member of the World Trade Organization (WTO) by virtue of its membership in the General Agreement on Tariffs and Trade (GATT) since 1957.

As a WTO member, Malaysia accords high priority to the rules-based multilateral trading system under the WTO, and has continuously been undertaking voluntary reductions and elimination of tariffs to enhance Malaysia's competitiveness; and over the years has adopted open and transparent trade policies and measures.

In addition, Malaysia is committed to building regional and bilateral trade arrangements with individual regional groupings and countries.

At the regional level, Malaysia is part of the ASEAN Free Trade Area (AFTA) together with other ASEAN member states such as Brunei, Cambodia, Indonesia, Laos, Myanmar, the Philippines, Singapore, Thailand and Vietnam, which creates a complete free trade area among

them. ASEAN presently has AFTA free trade agreements (FTAs) with China, Japan, Korea, India, Australia and New Zealand.

Through AFTA, Malaysia has also entered into the ASEAN Trade in Goods Agreement and, together with Brunei, Singapore and Thailand, has embarked on a self-certification pilot project since 1 November 2010 that is aimed at facilitating an enhanced environment for trade.

Malaysia has also developed significant relations economically and politically with the Gulf Cooperation Council (GCC) and is keen to have strong bilateral trade ties with the GCC through future FTAs.

As a member of the Organisation of the Islamic Conference (OIC), Malaysia has actively supported and promoted intra-OIC trade and has ratified the Framework Agreement on Trade Preferential System among the OIC countries.

On 4 February 2016, Malaysia signed the Trans-Pacific Partnership (TPP) Agreement, an FTA initiative with Australia, Brunei, Canada, Chile, Japan, Mexico, New Zealand, Peru, Singapore, Vietnam and the United States. Although the United States subsequently withdrew from the TPP under the Trump administration, the other members of the TPP have agreed to pursue the trade deal without the United States. On 9–10 November 2017, the TPP was renamed the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP) and was signed by the remaining 11 member countries on 9 March 2018 after eight rounds of negotiations. However, with the installation of the new Malaysian government following national elections on 9 May 2018, it remains to be seen whether the Prime Minister and his Cabinet will pursue the CPTPP agenda and proceed with ratification.

Malaysia is also involved with the Regional Comprehensive Economic Partnership (RCEP). RCEP is a proposed FTA between the 10 member states of ASEAN and the six existing states that ASEAN currently has FTAs with. RCEP, spearheaded by China, would potentially include up to three billion people, constituting almost half of the world's population. RCEP is currently being negotiated, with the most recent round held in Bangkok on 24 May 2019.

On a bilateral basis, Malaysia has established FTAs with Japan, Pakistan, New Zealand, India, Chile, Australia and Turkey, while negotiations are still under way with the United States and the European Union.

TRADE DEFENCE INVESTIGATIONS

Government authorities

3 | Which authority or authorities conduct trade defence investigations and impose trade remedies in your jurisdiction?

The Trade Practices Section of the Ministry of International Trade and Industries, Malaysia (MITI, www.miti.gov.my) is the authority that has been tasked to investigate and deal with unfair trade practices on behalf of the government of Malaysia.

Complaint filing procedure

4 | What is the procedure for domestic industry to start a trade remedies case in your jurisdiction? Can the regulator start an investigation ex officio?

Generally, any domestic industry or local producer can petition the authority for trade remedies such as anti-dumping, countervailing and safeguard duties against foreign producers or exporters of a similar product.

In a trade remedy petition, cogent evidence in the form of reliable statistics must be provided to the investigative authority. Depending on the type of trade remedies sought, the following information is usually included in the petition:

- the identity of the domestic industry on behalf of which the petition is submitted, including the names and addresses of the other producers of the like product in the domestic industry, and in the case where the petition is submitted on behalf of the regional producers of the similar product, information and details to support the carrying out of an investigation on a regional basis;
- in the case of an anti-dumping or countervailing petition, the petitioner must show that the domestic producers supporting the petition collectively account for more than 50 per cent of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the petition, and that the domestic producers expressing support for the petition account for at least 25 per cent of the total production of the like product produced by the domestic industry;
- a detailed description of the merchandise that defines the requested scope of the investigation, including technical characteristics and uses of such merchandise and its current Malaysian tariff classification;
- the name of the country in which the merchandise is produced and, if such merchandise is imported from a country other than that in which it is produced, the name of the intermediate country;
- the name and address of each party the petitioner believes is producing the merchandise for export or is exporting to Malaysia; and:
 - in relation to a countervailing duty petition, is receiving a subsidy; or
 - in relation to an anti-dumping duty petition, is selling the merchandise at prices below the normal value;
- any factual information, particularly documentary evidence, relevant to the alleged subsidy or dumping, including:
 - in relation to a countervailing duty petition, the authority that provided the subsidy and the manner in which the subsidy is provided and an estimate of the value of the subsidy to producers or exporters of the merchandise; or
 - in relation to an anti-dumping duty petition, information relevant to the calculation of the normal value and export price of the merchandise;
- for countervailing and anti-dumping petitions filed, the volume and value of the merchandise imported into Malaysia during the last two years and during any other recent period that the petitioner believes to be more representative or, if the merchandise was not imported into Malaysia during the two-year period, information as to the likelihood of its sale for importation into Malaysia. In relation to safeguards, the data period required is three years;
- the name and address of each party who the petitioner believes is importing or, if there were no importations, is likely to import the merchandise;
- evidence of injury to the domestic industry caused by the merchandise and the causal link between the imports of the merchandise and the alleged injury; and

- in relation to a safeguard petition, the petitioner is also required to submit an adjustment plan for the duration of the proposed imposition of the definitive safeguard measure and the proposed relief measures allowing the domestic industry to recover its competitiveness.

Contesting trade remedies

5 | What is the procedure for foreign exporters to defend a trade remedies case in your jurisdiction?

On receipt of an anti-dumping, countervailing or safeguard petition from the domestic industry or local producers, MITI will issue a notification of the receipt of the petition to governments of the exporting countries concerned. MITI is then obliged to examine the petition to determine whether the evidence presented justifies the initiation of an investigation, the level of support or opposition of the petition by the domestic industry, as well as the public interest involved. If MITI finds that there is insufficient evidence, or it is not in the public interest to proceed, the petition will be rejected.

If MITI decides to initiate an investigation, it will:

- notify all interested parties (the foreign government or manufacturers concerned and local importers) of the decision to initiate the relevant investigation;
- publish a notice of initiation of investigation, and gazette the same; and
- send out a questionnaire and a copy of the non-confidential version of the petition to foreign producers or exporters and local importers to obtain information on prices and injury factors.

In the case of a filed safeguard petition, the Committee on Safeguards of the WTO must also be notified of any decision to initiate a safeguard investigation.

All interested parties will have the opportunity to submit both written (including submitting confidential and non-confidential versions) and oral representations. Legal representation, whether foreign or local, is allowed.

The general timeline of an anti-dumping or countervailing investigation is as follows:

- the decision to initiate the preliminary investigation is to be made within 30 days from the date of receipt of the petition;
- preliminary determination and the final investigation are to be made within 120 days from the date of initiation, and if necessary this can be extended for another 30 days; and
- final determination is to be made within 120 days from the date of the preliminary determination.

The general timeline of a safeguard investigation is as follows:

- the decision to initiate the preliminary investigation is to be made within 30 days from the date of receipt of petition;
- preliminary determination and the final investigation are to be made within 90 days from the date of initiation; and
- final determination is to be made within 200 days from the date of the preliminary determination.

WTO rules

6 | Are the WTO rules on trade remedies applied in national law?

Malaysia acknowledges and recognises that its international rights and obligations in this area are governed by its membership of the WTO and by the WTO Agreement on Anti-Dumping and on Subsidies and Countervailing Measures, as well as the Agreement on Safeguards. As such, the trade remedy laws in Malaysia incorporate and apply the WTO rules on trade remedies.

'Non-market economy country' is defined in the Countervailing and Anti-Dumping Duties Act 1993 to mean any foreign country that the government of Malaysia determines operates on a centrally planned economy and not on market principles of cost or pricing structures or a free-enterprise economy. There is no definitive list of such non-market economy countries, but each situation will be decided on a case-by-case basis.

Appeal

7 | What is the appeal procedure for an unfavourable trade remedies decision? Is appeal available for all decisions? How likely is an appeal to succeed?

An interested party who is not satisfied with or who is aggrieved by MITI's decision in relation to a final determination or a final administrative review determination may file a judicial review application in the High Court within 30 days of the publication of the final determination or the final administrative review determination in question. The High Court would then review administrative acts carried out by MITI as prescribed under the national legislation and WTO rules on trade remedies to determine whether these administrative acts have been properly observed. The High Court is not, however, concerned with the merits of the matter.

An interested party who is not satisfied or who is aggrieved by the decision of the authority in relation to a final determination or a final administrative review determination may also utilise the WTO dispute settlement mechanism and bring an appeal to the WTO Appellate Body in Geneva, Switzerland.

Review of duties/quotas

8 | How and when can an affected party seek a review of the duty or quota? What is the procedure and time frame for obtaining a refund of overcharged duties? Can interest be claimed?

An administrative review may be sought in the following situations:

- where there are changed circumstances in the dumping margin or the amount of subsidy; or
- where the duties imposed or undertakings entered into are no longer considered necessary or maintainable.

Such a review can only be made one year after the date of the publication of the imposition of the definitive duties.

An exporter or a producer whose exports of the subject merchandise are subject to a definitive anti-dumping duty, but who has not exported the subject merchandise to Malaysia during the period of investigation, may apply for an expedited review.

An importer may also request a refund review for any 12-month period after the final determination of an anti-dumping duty investigation.

MITI shall conduct a refund review as requested by the importer only if the importer has:

- filed a refund application with the Customs Department within 30 days of entry of the merchandise into Malaysia; and
- submitted sufficient and complete evidence to show that the amount of anti-dumping duties collected during that 12-month period exceeds the dumping margin determined.

A refund review shall be completed within 180 days from the date MITI decides to conduct such a review.

The results of the refund review shall determine the final anti-dumping duty applicable for each entry for which the appropriate refund was requested and shall also be the basis for the anti-dumping duty rate applicable to all entries made after the review is completed.

If the margin of dumping is found to be less than the anti-dumping duty paid, the difference shall be refunded. If the margin of dumping is

found to be greater than the anti-dumping duty paid, the importer shall pay the difference.

In the case of a safeguard petition, MITI is obliged to conduct a mid-term review where safeguard measures have been imposed for a term exceeding three years. Such a review is to be completed within 180 days of the date of initiation of the review.

Compliance strategies

9 | What are the practical strategies for complying with an anti-dumping/countervailing/safeguard duty or quota?

An affected party may avail itself of the various review procedures set out in the relevant legislation when changes in circumstances arise.

Price undertakings are also a viable and attractive option in lieu of the imposition of definitive duties. Such undertaking may, however, only be offered after an affirmative preliminary determination has been reached.

CUSTOMS DUTIES

Normal rates and notification requirements

10 | Where are normal customs duty rates for your jurisdiction listed? Is there an exemption for low-value shipments, if so, at what level? Is there a binding tariff information system or similar in place? Are there prior notification requirements for imports?

Customs duties are paid on an ad valorem basis on imports and exports as provided under the Malaysian Customs Act 1967. The rates, and any applicable exemptions, are set by subsidiary legislation made under the Customs Act, and depend on the type of goods imported or exported. The rates generally range from zero to 40 per cent, with much higher rates imposed on alcohol and tobacco products.

The complete list of the applicable duties can be found at the Royal Malaysian Customs Department's website (www.customs.gov.my or <http://tariff.customs.gov.my>). For e-commerce using air courier services, goods imported not exceeding a total value of 500 ringgit per consignment are exempt from custom duties.

Malaysia uses both the Harmonized Commodity Description and Coding System (HS Code) and ASEAN Harmonized Tariff Nomenclature (AHTN).

AHTN is used for trade transactions between Malaysia and the other ASEAN countries, while the HS Code applies for trade with non-ASEAN countries.

Import permits may be required for certain products to be imported. See question 20.

Special rates and preferential treatment

11 | Where are special tariff rates, such as under free trade agreements or preferential tariffs, and countries that are given preference listed?

This information can be found at the MITI website (<http://fta.miti.gov.my/?mid=49>).

12 | How can GSP treatment for a product be obtained or removed?

The Generalised System of Preferences (GSP) is a system whereby developed countries grant preferential treatment to eligible products imported from developing countries, so that exports of developing countries would be competitive in the developed countries' markets. The preferential treatment is in the form of reduced import duties, and

is granted without reciprocal obligation on the part of the developing countries.

GSP treatment for a product can be obtained when the product genuinely originates from the beneficiary countries and when certain origin conditions are satisfied. The product must also be transported directly from the exporting preference-receiving country to the preference-giving country.

The claim for GSP treatment must be supported by documentary evidence as to origin and consignment. The documentary evidence accepted for the purposes of GSP is the certificate of origin (more commonly referred to as 'form A'), which in Malaysia can be obtained by the interested manufacturer or exporter from the Federation of Malaysian Manufacturers.

In Malaysia, the authorised issuing or endorsing authority for form A is MITI.

In order to obtain GSP treatment, manufacturers or exporters are required to submit an application for cost analysis approval to the Trade Cooperation and Industry Coordination Section of MITI. An approval letter will be issued by the Trade Cooperation and Industry Coordination Section for products that qualify under the rules of origin under the GSP scheme. Once an approval letter is issued, MITI will endorse the said form A submitted by the interested manufacturer or exporter.

13 | Is there a duty suspension regime in place? How can duty suspension be obtained?

No, there is no duty suspension regime in place. However, Malaysia has established numerous free trade zones and licensed manufacturing warehouses with various investment incentives where manufacturing companies can produce or assemble imported products primarily for re-exportation. Customs controls in these zones are minimal, and all machinery and raw materials and components used in the manufacturing process may be imported duty-free.

Challenge

14 | Where can customs decisions be challenged in your jurisdiction? What are the procedures?

The Customs Appeal Tribunal (CAT) is an independent body, established to decide on appeals against the decision of the director-general of customs pertaining to matters under the Customs Act 1967, the Sales Tax Act 2018, the Service Tax Act 2018 and the Excise Act 1976.

A filing fee of 100 ringgit is payable for each appeal lodged, and must include particulars such as the name, address, particulars of dispute, reasons of appeal and the remedy sought.

An appeal to the CAT must be filed within 30 days from the date of notification in writing of the decision of the director-general of customs.

The CAT's decision is deemed to be an order of a sessions court and can be enforced accordingly. The appellant or the Director-General of Customs may appeal against the decision of the CAT to the High Court on a question of law or of mixed law and fact.

TRADE BARRIERS

Government authorities

15 | What government office handles complaints from domestic exporters against foreign trade barriers at the WTO or under other agreements?

The Trade Practices Section of MITI.

Complaint filing procedure

16 | What is the procedure for filing a complaint against a foreign trade barrier?

Malaysia does not have a specific procedure for trade barrier complaints and adopts the WTO procedure for dispute settlement. This includes requesting consultations, formally demanding negotiations to try to settle the matter or, as a last resort, requesting the WTO to set up a panel of three arbitrators to judge the case.

Grounds for investigation

17 | What will the authority consider when deciding whether to begin an investigation?

See question 16.

Measures against foreign trade barriers

18 | What measures outside the WTO may the authority unilaterally take against a foreign trade barrier? Are any such measures currently in force?

Alternative measures include government-to-government negotiations and the threat of possible trade sanctions.

Private-sector support

19 | What support does the government expect from the private sector to bring a WTO case?

Where it is deemed necessary, the government will institute a WTO case in Geneva through the Attorney General's Chambers (AGC). The private sector is expected to assist by forwarding the necessary trade information and figures to the AGC and attending to any queries the AGC might have in preparation of the WTO case.

Notable non-tariff barriers

20 | What notable trade barriers other than retaliatory measures does your country impose on imports?

The government of Malaysia operates a system of import licensing. Import permits are required for a number of items, including arms and explosives; motor vehicles; certain drugs and chemicals; plants; soil; tin ore, slag or concentrates; and various essential foodstuffs. Prohibited imports include multicolour copying machines, any 'indecent or obscene' articles and certain poisonous chemicals.

All imported beef and poultry products must originate from facilities that have been approved by Malaysian authorities as halal.

Import duties generally range from zero to 40 per cent. In line with Malaysia's commitment to the ASEAN Common Effective Preferential Tariffs scheme, all industrial goods traded within ASEAN are subject to import duties of between zero and 5 per cent only.

In addition to import duties, the government of Malaysia also imposes excise duties on certain selected categories of imports such as automobiles, leaf tobacco, cigarette products and alcoholic beverages.

EXPORT CONTROLS

General controls

21 | What general controls are imposed on exports?

Goods may be exported to any country except Israel. Exports are controlled only in certain cases as follows:

- gazetted or controlled goods (usually this applies when the goods are in short supply);

- goods sensitive in nature and strategic or hazardous items; and
- goods regulated or prohibited by international agreements to protect endangered wildlife species.

There are two categories of controls on items for export:

- items that are absolutely prohibited from being exported to all countries, for example turtle eggs, rattan, arms and related materials, petroleum and petroleum products; and
- products that require an export licence and are subject to government control, for example livestock and livestock products, grains, minerals and toxic or hazardous materials.

MITI and the Ministry of Domestic Trade, Co-operatives and Consumerism administer the requisite licences for most of the controlled goods.

Government authorities

22 | Which authorities handle the controls?

The Royal Malaysian Customs Department (RMCD) is responsible for the enforcement of customs and related laws, including issuance of legally binding advance rulings on valuation and classification matters, among others. Matters in dispute (eg, product classification and valuation of goods for customs purposes) can be brought before the CAT.

Special controls

23 | Are separate controls imposed on specific products? Is a licence required to export such products? Give details.

Yes. The Strategic Trade Act 2010 (STA) was enacted to strengthen the country's ability to curb exports and transshipment of strategic items and technology, including arms and related material (eg, military items; nuclear materials, facilities and equipment; special materials and related equipment; material processing; sensors; lasers; navigation and avionic equipment; and electronics and computers) as well as activities that will or may facilitate the design, development, production and delivery of weapons of mass destruction). The STA is administered by MITI.

The STA controls the transactions of strategic items, unlisted items and restricted activities.

A special permit is required for transactions of strategic items or of unlisted items to a restricted end user, while transactions of strategic items or unlisted items to a prohibited end user are not allowed.

For further information, see www.miti.gov.my/index.php/pages/view/2581.

Supply chain security

24 | Has your jurisdiction implemented the WCO's SAFE Framework of Standards? Does it have an AEO programme or similar?

The authorised economic operator (AEO) is a concept introduced by the SAFE Framework of Standards referring to operators involved in the movement of goods along the international trade supply chain who have achieved the required security standards and are accredited by the member country. The AEO scheme developed by the RMCD is based on a similar concept.

The RMCD AEO website presently lists 59 approved AEO companies (www.customsgc.gov.my).

Applicable countries

25 | Where is information on countries subject to export controls listed?

A definitive and comprehensive list of strategic items is prescribed in the Strategic Trade (Strategic Items) Order 2010. Information on the subject items can also be found at [www.miti.gov.my/miti/resources/STA%20Folder/PDF%20file/pua_20170331_P.U._\(A\)90_.pdf](http://www.miti.gov.my/miti/resources/STA%20Folder/PDF%20file/pua_20170331_P.U._(A)90_.pdf).

Restricted end users and prohibited end users are determined by the Minister of International Trade and Industry through the issuance of a ministerial order, and such an order may include from time to time regimes, countries' bodies corporate or individuals subject to United Nations Security Council sanctions, as well as any persons of concern to Malaysia.

Currently the list of restricted end users and prohibited end users can be found in the Strategic Trade (Restricted End-Users and Prohibited End-Users) Orders 2010, 2011, 2014 and 2016 (PU(A) 484/2010, PU(A) 150/2011, PU(A) 88/2014, PU(A) 313/2014 and PU(A) 177/2016).

Restricted end users

These are:

- North Korea and Iran (embargoed and no exception for transit);
- Democratic Republic of the Congo, Ivory Coast, Lebanon, Sudan and Libya (embargoed and subject to transit permit for military items);
- Afghanistan, Iraq, Liberia, Rwanda and Somalia (subject to transit permit for military items); and
- Eritrea (subject to transit permit for restricted military items).

Prohibited end users

These are:

- various named individuals and entities of the Democratic People's Republic of Korea included in the List that is established, maintained and updated by the United Nations Security Council pursuant to the United Nations Security Council Resolution 1718 (2006); and
- various named individuals and the Islamic Republic of Iran included in the List that is established, maintained and updated by the United Nations Security Council pursuant to the United Nations Security Council Resolution 2231 (2015).

Named persons and institutions

26 | Does your jurisdiction have a scheme restricting or banning exports to named persons and institutions abroad? Give details.

Yes – see question 25 for the list of restricted end users and prohibited end users as presently in force under the Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010, 2011, 2014 and 2016.

Penalties

27 | What are the possible penalties for violation of export controls?

Both the Customs Act 1967 and the Strategic Trade Act 2010 have their own penalty provisions and in summary provide for the following penalties for violation of export controls:

- a jail sentence of between two years and life imprisonment, depending on the severity and type of offence; and
- fines of between 10,000 ringgit and 30 million ringgit.

In addition, in view of the serious repercussions from the misuse of strategic items and unlisted items for the purpose of restricted activities, the STA also imposes capital punishment for certain offences where the breach or offence results in death.

FINANCIAL AND OTHER SANCTIONS AND TRADE EMBARGOES

Government authorities

28 | What government offices impose sanctions and embargoes?

MITI is the authority charged with imposing trade sanctions.

Applicable countries

29 | What countries are currently the subject of sanctions or embargoes by your country?

North Korea and Iran, in relation to strategic items (see www.miti.gov.my/index.php/pages/view/3420), and Israel generally, under the Customs (Prohibition of Imports) Order 2017 subject to a special licence issued by MITI.

Specific individuals and companies

30 | Are individuals or specific companies subject to financial sanctions?

No.

OTHER RELEVANT ISSUES

Other trade remedies and controls

31 | Describe any trade remedy measures, import or export controls not covered above that are particular to your jurisdiction.

Ever since Malaysia started producing locally made cars, Malaysia has implemented measures to protect its automobile manufacturing industry from foreign competition using high tariffs and non-tariff trade barriers. Government policies also distinguish between 'national' cars (ie, domestic producers Proton and Perodua) and 'non-national' cars, which include most vehicles manufactured in Malaysia by non-Malaysian-owned firms.

MITI oversees a system of approved permits, which allow the holder to import cars and distribute them locally.

UPDATE & TRENDS

Key developments

32 | Are there any emerging trends or hot topics in trade and customs law and policy in your jurisdiction?

In light of the ongoing trade war, in 2019, there has been a substantial increase in the number of trade protection measures sought by the domestic industry in Malaysia – making it one of the busiest years on record. This trend is expected to continue into 2020.

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Art Law	Equity Derivatives	M&A Litigation	Ship Finance
Asset Recovery	Executive Compensation & Employee Benefits	Mediation	Shipbuilding
Automotive	Financial Services Compliance	Merger Control	Shipping
Aviation Finance & Leasing	Financial Services Litigation	Mining	Sovereign Immunity
Aviation Liability	Fintech	Oil Regulation	Sports Law
Banking Regulation	Foreign Investment Review	Patents	State Aid
Cartel Regulation	Franchise	Pensions & Retirement Plans	Structured Finance & Securitisation
Class Actions	Fund Management	Pharmaceutical Antitrust	Tax Controversy
Cloud Computing	Gaming	Ports & Terminals	Tax on Inbound Investment
Commercial Contracts	Gas Regulation	Private Antitrust Litigation	Technology M&A
Competition Compliance	Government Investigations	Private Banking & Wealth Management	Telecoms & Media
Complex Commercial Litigation	Government Relations	Private Client	Trade & Customs
Construction	Healthcare Enforcement & Litigation	Private Equity	Trademarks
Copyright	High-Yield Debt	Private M&A	Transfer Pricing
Corporate Governance	Initial Public Offerings	Product Liability	Vertical Agreements
Corporate Immigration	Insurance & Reinsurance	Product Recall	
Corporate Reorganisations	Insurance Litigation	Project Finance	
Cybersecurity	Intellectual Property & Antitrust	Public M&A	
Data Protection & Privacy	Investment Treaty Arbitration	Public Procurement	
Debt Capital Markets		Public-Private Partnerships	
Defence & Security		Rail Transport	
Procurement		Real Estate	
Dispute Resolution			

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