
December 11, 2018

Shippers Call for Shipping Lines and Freight Forwarders Participate Non-Container Deposit (NCD) Scheme

The Malaysian National Shippers' Council (MNSC) would like to register its concern on the requirement of container deposit set upon by shipping lines onto freight forwarders and shippers (importers and exporters). MNSC believe that the requirement of container deposit is an unnecessary financial burden as the rights of the shipping lines to claim for container damages and loss is provided sufficiently in the Bill of Lading that binds the shipping line and the shipper together. The situation has become ever challenging to the shippers and freight forwarders as shipping lines are requesting for the deposit made by cheque to be bank in or payments made via bank transfer prior releasing the Delivery Order for delivery of goods.

As a solution for the requirement of container deposit, the Selangor Freight Forwarders & Logistics Association (SFFLA) has established the Non-Container Deposit (NCD) scheme dedicated for freight forwarders and shipping lines which is designed to guarantee the shipping lines for damages or loss of its container. MNSC applaud the initiative made by SFFLA as it benefits for all parties to reduce their cost in importing goods into Malaysia. As at the moment, the scheme has attracted more than 40 participating shipping lines, freight forwarders and 272 SFFLA's members in the scheme.

However, as stated in the SFFLA's press statement in December 7th, 2018, certain participating shipping lines in the scheme has withdrawn from the scheme and resumed collecting container deposits. MNSC urges for all shipping lines and freight forwarders to participate the SFFLA's NCD scheme to benefit exemption of container deposit by participating shipping lines. MNSC would also advise its members to opt for shipping lines that participated in NCD scheme for importing their goods as a measurement to reduce cost of importing goods and as a show of support on the NCD scheme.

We believe the application of NCD scheme should extends further throughout all ports in Malaysia as it would benefits the nation in improving transport efficiency and reduce cost of doing business and ultimately elevate Malaysia to become "The Preferred Logistics Gateway to Asia".

About MNSC

The MNSC was established in 1972 and members consisted mainly from the commodity based exporters. Among the objectives of the Council are to protect, represent and promote the interest of Malaysian exporters and importers, producers, manufacturers, trade and industry associations and commodity based associations in relation to the transportation of goods. FMM has taken over the Secretariat of the Malaysia National Shippers' Council (MNSC) from the Ministry of International Trade and Industry (MITI) effective June 2015.

Contact Details:

Mohd Asyrul Bin Abdullah, Senior Executive,
Malaysian National Shippers' Council (MNSC)
Wisma FMM, No.3, Persiaran Dagang, PJU 9
Bandar Sri Damansara
52200 Kuala Lumpur
Tel : 03-6286 7200
Fax : 03-6274 1266/7288

Email : asyrul@fmm.org.my