

## **MNSC calls for More Efficient Implementation of Movement Control Order (MCO) for Shippers and Logistics Industry**

The Nation is facing a catastrophic situation due to outbreaks of COVID-19 and in order to combat this challenge, coordinated joint efforts of all stakeholders is required. In this respect, the Malaysian National Shippers Council (MNSC) welcomes the timely announcement by the Ministry of International Trade and Industry (MITI) in its recent media statement dated March 24, 2020 that transport and logistics services supporting any essential manufacturing sector would be allowed to continue operating while the Movement Control Order (MCO) is in force. Despite all efforts to keep approved activities on the move MNSC notes with regret that all other companies that do not fall under the essential goods approved by MITI will not be able to operate and would be required to close all operations including production, import and export as it is prohibited to function during the MCO period.

MNSC is highly concerned of the repercussion of :-

1. Non-movement of non-essential cargo to and from the port to warehouse during MCO which will cause huge congestions at the ports and airports.
2. Non-essential goods that have been imported before the implementation of MCO have arrived and stuck at the port as no approval can be obtained from MITI and therefore the goods cannot be moved out from the port.
3. Port Klang Authority has announced in its recent notice dated March 17, 2020 that there will be no waiver on container related charges ie. storage, removal and demurrage charges due to delays in collection of the cargo.
4. These charges can amount to a significant amount and will be passed directly to shippers/ manufacturers.

The Federation of Malaysian Manufactures (FMM), a member of MNSC had reached out to Port Authorities to urge Ports to waive the storage, removal and demurrage charges. We commend Port Klang Authority (PKA) for being one of the first port authorities that have agreed to consider the request from FMM. We urge the other ports to follow suit and waive the charges.

MNSC propose that the other Government Agencies (OGAs) and State Governments to come in unity to fight this dangerous pandemic by adopting the emergency operating procedures issued time to time by the Authorities such as the MKN, MITI and MOT. Presently due to the MCO, the logistics industry is in a dilemma.

The Federation of Malaysian Freight Forwarders, a member of MNSC in their recent statement on March 23, 2020 has raised this concern, whether they will be able to transport the goods as ports are deemed essential services and Customs Department and Immigration Department (for cross border trade with Singapore and Thailand) are not restricting clearance of cargo and drivers passage respectively.



# PRESS STATEMENT

In spite of assurances and operating announcements that Freight Forwarding activities within the approvals given the industry has received contradicting statements by various Ministries and the authorities. The Police and Army which have instituted road blocks are preventing the movement of cargo to and from ports and by land unless transporters are able to provide approval or authorisation letters to move the goods. This is a clear indication of poor communication amongst the OGAs.

In order not to further deepen the crisis, MNSC is of the view logistics and its related cut across all sectors, manufacturing and non-manufacturing ie agriculture, primary commodities etc. We urge the Government to allow logistics to continue unhindered and if possible there should not be the need to apply for separate approvals from the Ministry of Transport (MOT) when there is already approval from MITI for companies in the essential list or for transport for fresh produce already deem essential by Ministry of Agriculture and Food Industry. Transporters should be permitted to transport the essential goods using the same approval from these authorities.

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YBhg Dato' Dr Ir Andy Seo  
Chairman

### 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:

Ms Tan Ai Joo, Secretariat  
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 : [ai\\_joo@fmm.org.my](mailto:ai_joo@fmm.org.my)

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