

Asian Network Workshop 2010
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**Border Control Activities for Tracking
Illegal Transboundary Movement of
Hazardous Wastes**



ROYAL MALAYSIA CUSTOMS

www.customs.gov.my
<http://tariff.customs.gov.my>

PRESENTATION OUTLINE

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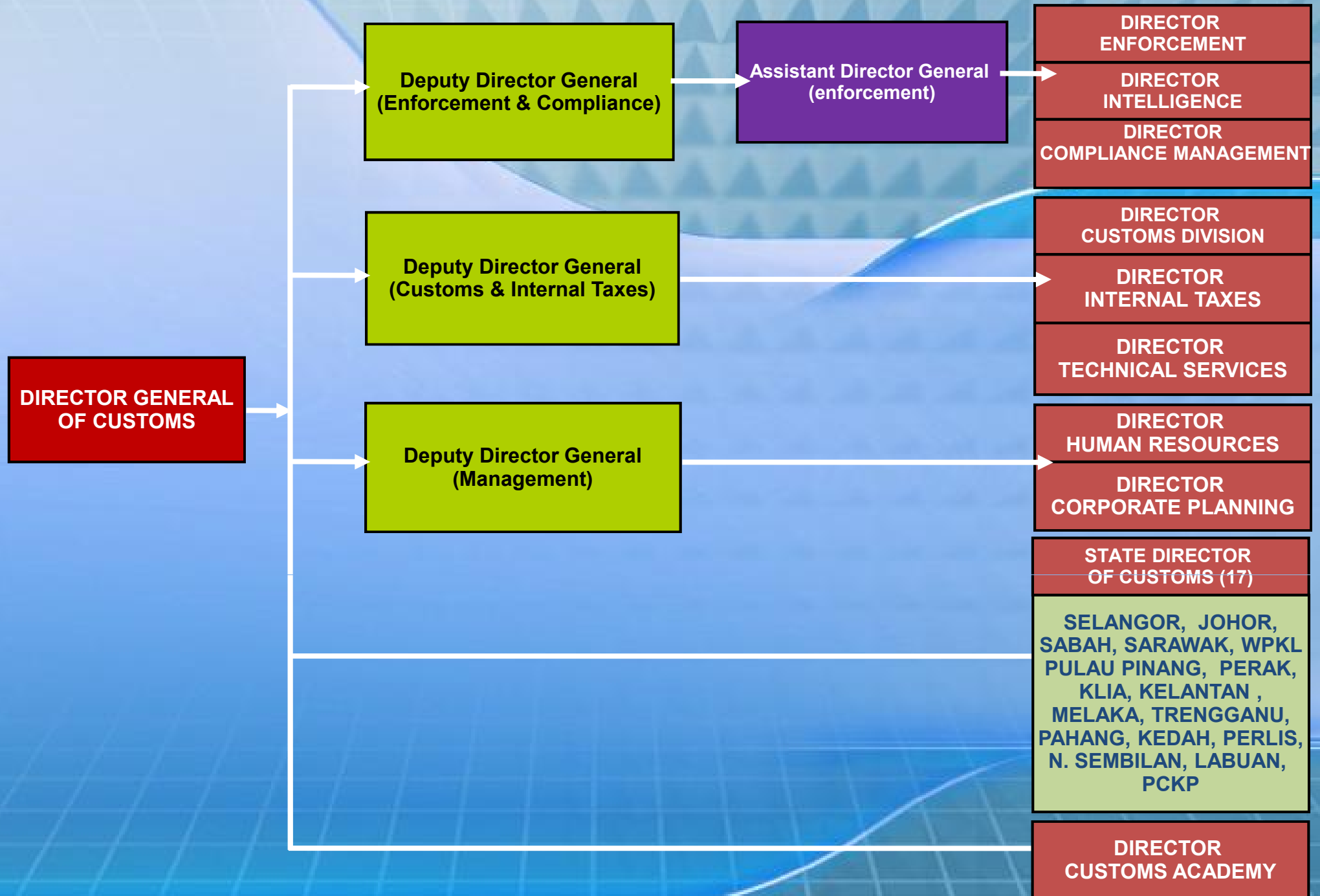
Introduction

- The Royal Malaysian Customs is responsible for the implementation of the following acts and their regulations;
- Customs Act 1967
- Excise Act 1976
- Sales Tax Act 1972
- Service Tax Act 1975
- Free Zone Act 1990
- Goods Vehicle Levy Act 1983

Introduction

- The Customs Dept. is also responsible to enforce the requirements of 25 other government agencies.
- The Department of Environment Quality is responsible for the issuance of permits for the import of toxic chemicals & Harzardous waste

CUSTOMS ORGANISATION STRUCTURE (HQ)



STAFF STRENGTH AS AT 13 MAY 2009

Category	Post	Filled	Vacant
Top management	26	26	0
Professional & Management Group	1,912	1,738	174
Support Group I	8,610	8,227	383
Support Group II	1,532	1,294	238
Total	12,080	11,285	795

Customs Procedure

- 85% of goods are released based on declaration of importer.
- 10% of goods are released based on additional documentation
- 5% of goods are released after inspection

Customs Procedure

- All goods which require permits are alerted in the Customs Information System(CIS) based on HS codes
- Release of these goods are effected only if the permits are in order (e-Permits)
- Permits are issued by DOE as mandated under S.34B(1)(b)&(c) of the Enviromental Quality Act,1974
- The Customs (Prohibition of Import) Order 2008 and The Customs (Prohibition of Export) Order 2008 provide the legal backing for Customs.

Illegal Trade

- Customs has not done any study in illegal trade of hazardous waste & harmful chemicals
- The role of Customs is in assisting the DOE in enforcing the Basel Convention with regards to imports & exports of hazardous waste & harmful chemicals
- Hazardous waste & harmful chemicals which are detained by Customs without permit are referred to DOE for their action.

Seizures

- Between the year July 2008 to August 2009 there were 13 seizures of e-waste, these consisted mainly of;
 - PC display unit, battery scrap, computer parts, note books, desktop computer & computer cases
 - These items were detained and handed over to DOE.
 - In terms of value the seized goods were value at a total of USD193,443.70

Major Case

- In June 2004, 81 containers were detained, the goods were declared as Copper oxide : Inorganic Gavanization Sediment In Semi - Hardened Sludge -cake form of Copper Oxide, using HS 2825 50 000
- The goods were then sent to the Chemistry Dept. and subsequently classifies under HS 3825 69 000 i.e waste from chemical or allied industries
- Company X was charged under S.133(1)(a) of the Customs Act 1967 for false declaration.
- The case is pending in court.

International Cooperation

- Customs has cooperation with the following International agencies:
- **Customs Enforcement Network (CEN)** a global enforcement to support Customs' fight against transnational organised crime, including environment related;
- **Regional Intelligence Liaison Offices Network (RILO)**, a global intelligence network to improve the efficiency & effectiveness of Customs Enforcement
- **Customs Enforcement Liaison Office (CELO)**. This is similar to RILO but among ASEAN members

International Cooperation

- Royal Malaysian contact point is **Ms. Habsah Harun** who can be contacted at [_celo@customs.gov.my](mailto:celo@customs.gov.my) / habsah.harun@customs.gov.my
- At the 6th **ASEAN Customs Enforcement & Compliance Working Group** held in Brunei from the 8-10 Dec. 2009 The meeting has asked the ASEAN secretariat to develop a project document on hazardous waste for consideration by member states
- **Crocodile Project (2004)** is a anti-cigarette smuggling project initiated by Hong Kong Customs in the Asia Pacific region.

Challenges

- e- waste is listed in the Customs (Prohibition of Imports) Order 2008. It only covers waste from electrical & electronic assemblies.
- The Customs intercept these goods if they have no approval from DOE
- There is no specific HS code for e-waste, thus difficult to monitor these goods based on description(eg. Used TV)
- Harmful chemicals pose a special problem because of the nature of these goods, which need expertise to classify/ detect.

Challenges

- The Customs dept. has to rely heavily on information to detect illegal import of hazardous waste & harmful chemicals.
- Physical inspection is done on only 5% of cargo.
- There is no data base of known exporters and importers of illegal import of hazardous waste & harmful chemicals

Awareness

- The DOE carries out frequent awareness programmes for Customs personnel.
- The DOE also publishes guidelines regarding hazardous waste & harmful chemicals.
- DOE has also done a e-waste inventory project in Malaysia with the following stakeholders
 - Manufacturers, importers, exporters, associations, user recyclers, & policy makers

Awareness

- Customs has also hyperlinked the UNEP website on the Customs Webpage www.customs.gov.my

The screenshot displays the website of the Royal Malaysian Customs Department. The browser window title is "Royal Malaysian Customs Department - Windows Internet Explorer". The address bar shows the URL "http://www.customs.gov.my/index.php/en". The page features a navigation menu on the left with categories like "Contact Info", "Others", and "JKDM's Web Survey". The main content area is divided into several sections: "Customs Ruling 2009" with dates for November and December; "Berita Terkini" (Latest News) with two columns of news items, including "ASEAN - AUSTRALIA - NEW ZEALAND FTA" and "ASEAN - INDIA FTA"; "Others Article" with links to "Exported Taxable Service" and "Panduan Cukai Perkhidmatan bagi Kad Kredit"; "Pengumuman" (Announcements) with a notice about a tender for boat building; and "Others Announcement" with a reminder about a public notice. A right-hand sidebar contains a "Link" section with buttons for "JKDM Webmail", "Email Account Review System", "interaffairs", "Report Smuggling", and "Latest RSS Feed", along with a "States Customs Link" dropdown and "Info for JKDM's Staff". The footer includes logos for various organizations like PORTAL Malaysia, TRIBUNAL Rayuan Kastam, World Customs Organization, MSC Malaysia, myGovernment, BLESS, NATIONAL SINGLE WINDOW, UNEP, and HRMIS. The bottom status bar shows the system tray with the time 09:05 and the taskbar with several open applications.

Conclusion

- Enviromental Issues have become sensitive and are also complicated.
- There are numerous MEA's (Multilateral Environmental Agreements)
 - CITES Convention 1975 on endandered species
 - Montreal Protocol 1989 on ODS
 - **Basel Convention 1992 on harzadous waste**
 - Rotterdam Convention 1998 on harzadous chemicals
 - Stockholm Convention 2004 on POP
 - Chemicals Weapons Convention 1997

Conclusion

- With numerous MEA's it poses a challenge to Customs in the form of limited awareness and basic information for frontline officers in recognising and responding to the various requirements of the MEA's.
- The Customs Dept. has to deal with various issues of trade facilitation, smuggling activities, security threat and environmental issues in addition to the **core business** of revenue collection.
- The exporting countries should also be held responsible to prevent the illegal movement of environmental sensitive goods.
- Exchange of information & international cooperation is vital to combat this problem.



THANK YOU

ARIGATO

TERIMA KASIH

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