

MNSC calls for more efficient implementation of MCO for shipping, logistics industry

KUALA LUMPUR (March 25): The Malaysian National Shippers Council (MNSC) has welcomed the timely announcement by the Ministry of International Trade and Industry (MITI) yesterday to allow transport and logistics services supporting any essential manufacturing sector to continue operating while the Movement Control Order (MCO) is in force due to the COVID-19 outbreak.

In a statement, MNSC urged the government to allow logistics services to continue unhindered. If possible, it said, 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 of fresh produce already deemed essential by the Ministry of Agriculture and Food Industry.

"Transporters should be permitted to transport the essential goods using the same approval from these authorities," it said.

Despite all efforts to keep approved activities on the move, MNSC noted with regret that all other companies that do not fall under the essential goods category approved by MITI will not be able to operate and would be required to close all operations including production, import and export during the MCO period.

MNSC also expressed concern that the non-movement of non-essential cargo to and from the port to the warehouse during the MCO period will cause massive congestion at ports and airports.

It also noted that non-essential goods that were imported before the implementation of the MCO and have arrived are stuck at the port, as no approval can be obtained from MITI and therefore the goods cannot be moved out of the port.

"The Port Klang Authority (PKA) announced in its recent notice dated March 17, 2020 that there will be no waiver on container-related charges i.e. storage, removal and demurrage charges due to delays in the collection of the cargo," it said, pointing out that these charges can be significant and will be passed directly to shippers or manufacturers.

The Federation of Malaysian Manufacturers (FMM), a member of MNSC, has reached out to the port authorities to urge ports to waive the storage, removal and demurrage charges.

"We commend the PKA for being one of the first port authorities that have agreed to consider the request from FMM, and we urge the other ports to follow suit and waive the charges," it said.