

FREQUENTLY ASKED QUETIONS (FAQ) ON MOVEMENT CONTROL ORDER MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY NO. 3

SECTION 1: GENERAL QUESTIONS ON APPLICATIONS

1. What additional sectors are allowed to operate during the period of the Movement Control Order (MCO)?

Only selected additional economic sectors are allowed to operate during the Movement Control Order (MCO) period, subject to approval and health & safety protocols. A list of selected economic sectors is shown in **Appendix 1**.

The list is a supplement to the list of essential services issued by the National Security Council (Majlis Kesematan Negara - MKN) and the list of critical product manufacturing sectors issued by MITI on 18 March 2020. Please refer to **Appendix 2**.

2. Can companies in the sector not listed in Appendix 1 and Appendix 2 operate during the MCO period?

No. Only companies in the listed sector are allowed to operate, subject to health & safety protocols.

3. Should my company apply for approval if my company is categorized in Appendix 1?

Yes, Companies can apply through the COVID-19 Intelligent Management System (CIMS) 2.0 at https://application.miti.gov.my. Click on the link at the front page of MITI's portal to access the application system effective Monday, 13 April 2020 at 9.00 am.

4. How long does it take to process the application and how is the approval letter given to the company?

Processing will take up to five (5) days. If an application is successful, a letter of approval will be auto-generated by CIMS 2.0. The companies are encouraged to check the status of their application in the system from time to time. The company can only start their operations upon approval by MITI.

5. If I have received MITI approval to operate during the MCO Phase 1 & 2, do I need to re-apply?

The new CIMS 2.0 will auto-generate approval letters with a QR code that will

facilitate the movement of workers and operations. Therefore, all companies with prior approval from MITI are encouraged to re-apply in CIMS 2.0.

6. If I have obtained MITI's approval to operate during the MCO Phase 1 & 2, but would like to increase the workforce capacity, can I re-apply?

Yes, all companies that have received prior approval from MITI are required to re-apply for additional capacity in CIMS 2.0.

7. If my application for operation during the MCO Phase 1 & 2 was rejected, can I re-apply?

Yes.

8. If I have been approved by the Ministry of Health / Ministry of Agriculture and Food Industries / Ministry of Domestic Trade and Consumer Affairs / Ministry of Primary Industries and Commodities / Ministry of Housing and Local Government / Local Authority to operate during MCO period, do I need to reapply?

Yes.

9. How do I check the status of my application?

Please log into CIMS 2.0 at https://application.miti.gov.my. to check the status of your application. Due to practical difficulties, calls on status of applications will not be entertained.

10. If my application is rejected, can I appeal?

Yes, the appeal can be made in CIMS 2.0 at https://application.miti.gov.my.

11. Besides online submission, can I submit my application via e-mail or other alternative ways?

No.

12. For a company with multiple businesses and sites, do we apply separately?

No. Companies can provide up to 10 different addresses in one application.

13. Who should be submitting the application? Managing Director or Director or the Project Director / Project Manager for each site or anyone authorized by the Company?

Any authorized representative of the company.

14. Do I submit my list of suppliers and other sensitive information to MITI or the Associations?

These list of suppliers and other sensitive information must ONLY be submitted

SECTION 2: BUSINESS OPERATIONS

15. Once approval is received, can the company immediately commence operations?

Yes, companies can commence operations subject to the conditions in the approval letter.

16. If my business premises are in the red zone area, can my company be considered for approval to operate?

The business premises located in the red zone area are subject to the regulations of the National Security Council (MKN) and the related local authority (PBT).

17. Can I operate with 100% manpower?

The company is only allowed to operate based on the operating capacity approved by MITI.

18. Can I operate full-time?

The company must get the approval from MITI to operate full-time. The hours of operation are subject to the regulations of the National Security Council (MKN), State Government and local authorities (PBT).

19. What health and safety protocols should be adopted by companies that are allowed to operate during the MCO?

The health and safety protocols contained in the SOPs are available on CIMS 2.0. Companies are required to read and agree to these SOPs before they can register in CIMS 2.0.

20. My company is not listed in Appendix 1. However, I supply products / services (such as raw materials, logistics services) to companies that are allowed to operate. Can I be allowed to operate?

Please apply through CIMS 2.0 at https://application.miti.gov.my. The company can only operate upon approval by MITI.

21. If my company is categorised in Appendix 1, can my company get services from non-categorical product / service providers (such as machine maintenance, spare parts)?

Yes, subject to health and safety protocols. The product / service providers need to apply to MITI for approval (please refer to question no. 3 for application information).

22. If I have been approved to put manufacturing equipment on standby mode (warm idle) but am categorised in Appendix 1, can I operate normally during the MCO period?

No. Companies must apply and update their information online through CIMS 2.0 at https://application.miti.gov.my. Please refer to question no. 3 for application information.

23. If a company approved to operate during the MCO period is found to have violated operating conditions, will it be subjected to fines / penalties other than withdrawal of approval?

Yes, it is a criminal offense under Regulation 7 of the Prevention and Control of Infectious Diseases (Measures Within the Local Area of Infection) 2020, which is punishable by a fine not exceeding RM1,000 or imprisonment not exceeding 6 months or both.

The company could also face legal action, subject to the relevant laws, regulations and by-laws related to the nature of business.

24. Can companies fulfill all existing and accept new orders for exports to customers outside of Malaysia?

Companies that have obtained approval to operate from MITI would be allowed to fulfill orders for both domestic and export markets.

25. In case of premise and factory sanitizing, can the company employ professional 3rd party service providers?

Yes.

26. Do the company's key service providers, including suppliers, in-house contractors, transporters etc., have to apply for approval separately?

If these service providers are third party vendors, they are required to apply individually to MITI. However, in-house service providers need not apply.

SECTION 3 – HUMAN RESOURCE

27. I have an approval letter. However, I am not allowed to operate by the enforcement authorities. My employees are also not allowed to travel to work as they have been stopped by the authorities. What do I do?

The list of approved companies and their workforce will be submitted to the MKN, the Ministry of Home Affairs (KDN) and the Royal Malaysian Police (PDRM) in coordinating enforcement operations. If an approved company or employee is detained/not allowed to operate by the authority, they must present the approval letter to facilitate checking of the approval in the system.

28. If we take all the prescribed and necessary precautions (such as social distancing, mask wearing, hand sanitizer use, temperature monitoring, staggered meal times, etc.), can companies be allowed to operate with more manpower in the extended MCO instead of the limit set earlier for the first and second phase of the MCO?

Companies are only allowed to operate based on the operating capacity approved by MITI.

29. If a worker listed on the current exemption list is on leave (medical or annual

or urgent leave), can he be replaced with another worker without further notification to MITI?

He can only be replaced by another worker who was listed in the application submitted to MITI.

30. Can companies increase the percentage (%) of headcount first while waiting for approval?

No.

31. For companies with centralised services (sitting under a head office entity but providing shared service support to our manufacturing entities), can a few key staff (IT, HR, Finance) come back to the shared service office to continue with the central services?

They can come back to the shared service office ONLY IF they have been included in the list of workers submitted to MITI.

SECTION 4 – INDUSTRY-SPECIFIC TOPICS

LOGISTICS AND MOVEMENT

32. If deliveries to domestic customers are allowed, will it be for 24 hours operation for trucking on the road?

Operation hours are subject to the rules stipulated by the Ministry of Transport.

33. Are logistic companies allowed to operate?

Yes, subject to approval by MITI. Please apply via CIMS 2.0 at https://application.miti.gov.my.

34. We are allowed to operate. However, the factory of our supplier is not allowed to operate. Can we send our lorry to our supplier's warehouse to collect materials that we need to continue our production?

Yes, provided your lorry brings along a copy of your approval letter to the supplier's warehouse. This will facilitate your lorry's movement.

35. What document will the service supplier need to produce when they need to travel far, across town or state when they go to work? Will they be required to produce their permit/ company's permit/ PO to the enforcement authorities?

A company that is allowed to operate should share a copy of the letter with its employees. In order to facilitate their travel to and from work, employees are encouraged to carry with them, a copy of the approval letter, as well as identification documents such as company ID.

36. We have approval to operate in Rawang. So, does our customer in Kota Bahru. Can our company lorry transport our chemicals over 450 km to deliver our chemicals to the customer?

Yes, provided your lorry brings along a copy of your approval letter during the journey. This will also facilitate your lorry's movement. However, interstate travel is subject to the security and health protocols as determined by MKN, PDRM and Ministry of Health.

For further information related to logistics, please contact the Ministry of Transport at the following:

RESEARH & DEVELOPMENT

37. Does R&D apply to commercial laboratories only or also include in-house R&D?

It applies to both commercial and in-house laboratories.

38. My company undertakes R&D activities that fall outside the scope of the new sectors approved. Can I apply to increase my workforce so that my R&D activities can continue?

Companies are only allowed to undertake R&D activities within the approved sectors. However, they are required to apply online through CIMS 2.0 at https://application.miti.gov.my.

CONSTRUCTION & BUILDING MATERIALS

39. If my company is undertaking several construction projects or construction related services, do I have to apply for each of these projects?

Company needs to apply individually for each project.

40. Do contractors who undertake works to complete building construction, premises renovation, machine installation need to apply?

Yes. Applications must be made by individual companies via CIMS 2.0 at https://application.miti.gov.my.

41. Is this application for main contractors only? Do subcontractors only apply after main contractors receive their approval?

Yes, subcontractors are required to submit their applications after the main contractors have received their approval. Applications must be made by individual companies via CIMS 2.0 at https://application.miti.gov.my

42. How about commercial & residential projects? Are these considered as essential services?

Please refer to <u>Appendix 1</u> for the list of approved criteria for the construction sector.

43. Can the site resume work if workers are staying at the workers' camp next to the project site?

Companies must apply to operate via CIMS 2.0 at https://application.miti.gov.my.

44. What are considered as "perkhidmatan berkaitan pembinaan" or construction related services? Are all supporting industries included? What about quarries and asphalt (premix) plants? What about lorry transport?

Construction-related services refer to those service suppliers within the supply chain of a specific construction project. Companies within this supply chain are required to apply via CIMS 2.0 at https://application.miti.gov.my in order to obtain individual approvals to operate.

RUBBER PRODUCTS & RUBBER GLOVES

45. How shall Rubber Glove manufacturers produce at full capacity while suppliers are limited to 50%?

If the suppliers wish to increase their capacity beyond 50%, they are required to apply via CIMS 2.0 at https://application.miti.gov.my.

46. We need all raw materials and spare parts from our suppliers. How do we get these urgent items if they (suppliers) are not allowed to operate?

Please apply via CIMS 2.0 at https://application.miti.gov.my.

47. If we are indirectly supplying raw materials or component for those listed in Appendix 1 (e.g., hydraulic hoses for the machine and equipment factory), are we allowed to apply?

Please apply via CIMS 2.0 at https://application.miti.gov.my.

48. We supply raw materials for the components (e.g., such as chemicals suppliers and compounders for the production of tyres or retread tyres). Are we allowed to apply?

Please apply via CIMS 2.0 at https://application.miti.gov.my.

49. Please confirm that "Perkhidmatan Minyak dan Gas" will cover all services in the Oil and Gas Sector. Will there be a blanket approval for all OGSE (Oil & Gas Services and Equipment) companies?

The oil and gas sector will cover associated services. Oil and gas sector is listed as an essential service and allowed to operate. There is no blanket approval for the OGSE companies. Individual companies can apply via CIMS 2.0 at https://application.miti.gov.my.

CHEMICALS & PETROCHEMICALS

50. Can construction industry value-chain stakeholders, e.g. paints companies and its raw materials suppliers like emulsion/resins, solvents, additives, pigments and fillers expect to be allowed to operate?

Companies in the value chain are required to apply via CIMS 2.0 at https://application.miti.gov.my.

51. As paint is used in many products and industries such as automotive body and parts, drums for oil and gas, gas cylinders, maintenance works, construction, can MITI consider allowing the paint manufacturers to operate as supplies to these industries are running low?

Companies in the value chain are required to apply via CIMS 2.0 at https://application.miti.gov.my.

MACHINERY & EQUIPMENT

52. Can equipment suppliers / spare parts suppliers / repair and maintenance companies that the industry depend on (but closed now because of MCO) be allowed to operate in the new extended MCO?

Yes, the companies related to the machinery and equipment sector can apply to MITI for approval to operate. Please apply via CIMS 2.0 at https://application.miti.gov.my.

- 53. Since the machinery and equipment sector is allowed to operate, could they service machines at companies that have not received approval to operate or at companies producing non-essential goods?

 No.
- 54. Can warm idle company now reapply for permission to operate?

Yes. Please apply via CIMS 2.0 at https://application.miti.gov.my.

55. Is MITI approval needed for forwarder to carry non-essential goods (chemicals) to deliver to port for export and domestic customers?

Yes. Please apply via CIMS 2.0 at https://application.miti.gov.my.

INDUSTRIAL GASES

56. My company will undertake construction work to build a new factory to supply industrial gases to electronic factories. The on-stream target will be in mid-May. Can my company apply for MITI's approval to operate under the Construction Project sector?

Applications by companies in relation to the construction sector will be assessed based on the class of contractor and the list of criteria in <u>Appendix 1</u>. Please apply via CIMS 2.0 at https://application.miti.gov.my

57. Industrial gases companies have distribution center to supply industrial gases to essential goods factories. However, these distribution centers do not have a Manufacturing License. Can these distribution centers apply to MITI for approval to operate?

Yes. Please apply via CIMS 2.0 at https://application.miti.gov.my.

58. Companies use third party transporters to deliver industrial gases to essential goods factories. Does this third-party logistics company need to obtain approval?

Yes. Please apply via CIMS 2.0 at https://application.miti.gov.my.

59. How can a company apply for work-in-progress for construction activities within the plant? If the manufacturing plants have been shut down because of the 'non-essential' reasoning, can they now ask to proceed some of the construction and/or maintenance activities which are critical for future running and safety of the plant?

Applications by companies in relation to the construction sector will be assessed based on the class of contractor and the list of criteria in **Appendix 1**. Please apply via CIMS 2.0 at https://application.miti.gov.my.

AUTOMOTIVE

60. Under the automotive industry, is "Perkhidmatan Selepas Jualan" only limited to local services?

Yes.

61. Does "Perkhidmatan Selepas Jualan" include spare parts center/shop and service workshop, run independently or by manufacturer and dealers?

Yes. "Perkhidmatan lepas jualan" refers to the operations of maintenance and service of vehicles within the country.

62. If we open the workshops, are we allowed to operate our spare parts centres and stockists to sell spare parts to support the aftersales service?

Yes. Spare part centers can only conduct distribution of spare parts to service centres upon approval from MITI. All other sales that are beyond the scope of after-sales services are strictly prohibited.

63. My company is a local automotive component parts company that has the approval to operate. Can I be allowed to manufacture, sell and deliver component and parts to local spare parts shops that supply these parts to car workshops for repair and maintenance?

Yes. It includes authorised dealer's service centres, OEM's own service centres as well as independent workshops, upon approval from MITI.

64. Can I export only completed assembled vehicles before MCO?

You may export the assembled units before MCO and may operate to assemble new vehicles, which are meant for exports upon the approval from MITI.

65. Are assembly plants allowed to open, assemble vehicles and then export them, especially those units already assembled half way?

Yes.

66. Aftersales service - inclusive of body and paint repair?

Yes.

67. Can parts distribution centers be allowed to operate to supply parts?

Yes. The spare part centres and stockists can distribute to the service centres in order to support their operations upon approval from MITI.

68. Some dealers have cars registered but because of MCO were unable to deliver them. Can we deliver those registered cars?

Yes, subject to approval by MITI.

TYRE

69. Is production allowed for exports?

Yes including for aftersales services.

70. Does aftersales service include tyre shops for repair and maintenance /workshop?

Yes.

71. Are aftersales service operators allowed to order and transport automotive parts and components?

Yes.

72. Can tyre manufacturers deliver their products to their aftersales service providers?

73. Can tyre producers supply tyres to the vehicle manufacturers?

Yes, but only for exports of vehicles.

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

13 APRIL 2020

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APPENDIX 1

LIST OF ADDITIONAL SECTORS ALLOWED TO OPERATE UNDER THE MOVEMENT CONTROL ORDER (MCO) or ENHANCED MCO?

- Automotive industry (limited to exports of CBU, parts and components, as well as after-sale services, e.g., repair and maintenance)
- Machinery and equipment industry
- Aerospace industry
- Construction projects and services related to construction works:
 - ✓ Projects whereby the main contractors are G1–G2
 - ✓ Projects that have achieved physical progress of 90% and above
 - ✓ Tunneling works
 - ✓ Maintenance works
 - ✓ Sloping works
 - ✓ Emergency works that are consequent to contractual obligations
 - Maintenance, cleaning and drying of stagnant water, spraying of pesticides at construction sites which prevent the breeding of Aedes mosquitoes and other pests
 - ✓ Other works that if left incomplete may result in danger
 - ✓ Building projects with 70 IBS score and above
 - ✓ Construction projects with accommodation facilities for workers, such as centralised quarters for workers or workers' camp
 - Professional services related to the construction industry including architects, engineers, town-planners, land surveyors, quantity surveyors, project managers, facility managers as well as other relevant services
 - Science, professional and technical services, including R&D (limited to legal services, services incidental to oil and gas, R&D activities related to COVID-19, and testing labs for the sectors allowed to operate)
 - Social health services including registered traditional and complementary medicine (TCM) practitioners

- Hardware shops, electrical and electronic (E&E) shops
- Laundry services (only those offering full-service and does not include selfservice laundrettes)

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APPENDIX 2

A. List of Essential Goods

Products

- 1. Food and beverage items including imported items
 - Rice
 - Sugar
 - Vegetable and animal oils and fats
 - Flour and All Grain Mill Products
 - Bread
 - Water
 - Dairy products milk, infant formula
 - · Condiments and Spices
 - Dry food
 - Coffee and tea
 - · Canned food
 - Meat
 - Chicken
 - · Animal feed
 - · Processing of fruits and vegetable
- 2. Agriculture and fisheries including imports
 - Fish and Seafood
 - Fruits
 - Vegetables
- 3. Household products
 - Detergents
 - Disinfectants
 - Sanitisers
 - · Personal care items
 - Toilet paper and tissue paper
- 4. Personal Protective Equipment (PPE) including Fire Safety Equipment and Medical Attire including face mask, rubber gloves.
- 5. Pharmaceutical all chemicals and drugs production
- 6. Packaging materials and printing including ink
- 7. Medical and surgical devices
- 8. Parts for medical devices eg. parts for ventilators
- B. List of Products that are Part of the Supply Chain of Essential Goods Supply Chain For Exemption From the Restriction of Movement

Products

1. Oil & Gas

- 2. Petrochemicals
 - PTA & PET Resins
 - Polyester fibres & filaments
 - Polypropylene & polyethylene
 - ABS & MABS resins
 - Maleic Anhydride
 - PVC Paste resin
 - Expanded EPE
 - Impact modifiers & processing aids
 - Styrene Monomer
 - Styrene Butadiene Latex
 - Polystyrene
- 3. Chemical and Chemical Products Fertiliser and Pesticide
- 4. Electrical & Electronics (E&E) including semiconductors