

Support for Miti as issuer of certificates

Ministry's decision will reinforce Malaysia's export credibility, say groups

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PETALING JAYA: The appointment of the Investment, Trade and Industry Ministry (Miti) as the sole issuer of Non-Preferential Certificates of Origin (NPCO) has received broad support from business chambers and trade groups, who say the measure will help protect Malaysia's trade integrity, particularly with the United States.

However, industry leaders caution that the possibility of poor execution, lack of preparedness and insufficient infrastructure could result in bottlenecks and delays, potentially disrupting shipments and hurting exporters nationwide.

The Malaysian International Chamber of Commerce and Industry (MICCI) said the government's decision to centralise the issuance of the certificates will reinforce Malaysia's export credibility and protect legitimate trade flows, particularly to the United States.

"Exporters are advised to stay updated on the revised application procedures and to engage closely with the ministry to ensure full compliance with the new requirements," MICCI president Christina Tee said.

To support compliance and reduce the risk of transshipment-related offences, MICCI is urging exporters to maintain

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clear, comprehensive and transparent supply chain records.

"Businesses must declare origin of products accurately and avoid any practices that could be perceived as relabelling or misrepresentation," she added.

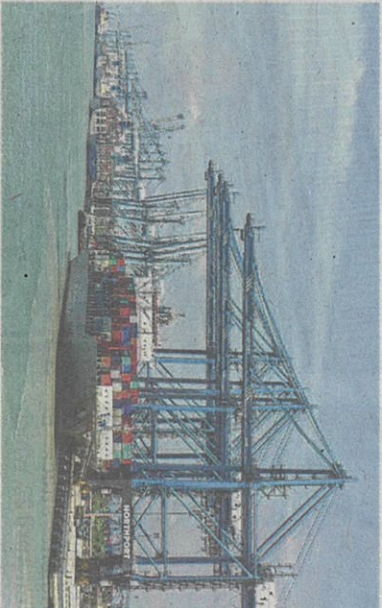
She also encouraged companies to take part in awareness and capacity-building programmes organised by Miti and the Royal Malaysian Customs Department, and to cooperate fully during verification and audit exercises.

However, Tee acknowledged that recent tariff measures imposed by the United States could present challenges by increasing operational costs and reducing competitiveness in the US market.

"To remain resilient, MICCI encourages its members to diversify their markets, invest in value-added strategies and enhance their product offerings.

"At the same time, businesses must maintain full compliance with all trade regulations."

Tee said MICCI supports the government's continued engagement with US counterparts to address these concerns and to promote a fair, open and rules-



Stay informed: Exporters are advised to fully cooperate with Miti for a smooth transaction.

based trading environment.

Previously, NPCOs for US-bound exports were issued by business councils, chambers or associations appointed by Miti. These trade documents verify the origin of goods for international shipments, though they are not used to claim preferential tariff rates.

Tee said the chamber is prepared to forgo earnings from issuing NPCOs in the interest of national priorities.

"MICCI is willing to let go of that revenue and support Miti in issuing NPCOs so that the nation can emerge stronger during this period," she said.

Tee added that while NPCOs are a source of income, US-bound exports make up only about 15% of MICCI's certification activities.

She was responding to the announcement by Miti on Monday that the ministry would serve as the sole issuer of NPCOs for US shipments effective yesterday.

The ministry cautioned that any attempt to circumvent tariffs – including making false or misleading declarations of value or origin – will be treated as a serious offence.

Malaysia Consortium of Mid-Tier Companies (MCMTC) honorary president Callum Chen raised concerns over Miti's preparedness to handle the new system.

He said the absence of a dedicated facility and trained personnel could result in delays, as exporters now have only one access point instead of several.

"Does Miti have enough space and officers? How long will verification take, and how will exporters outside the Klang Valley be accommodated?" he asked.

Chen stressed the need for a comprehensive nationwide solution.

"It's not just about space – it's about managing crowds, traffic, parking and logistics," he said.

"Execution is key, even with a good plan," he said, highlighting concerns from exporters in Johor, Penang, Sabah and Sarawak.

The Associated Chambers of Commerce Industry of Malaysia (AACI) also called for a smoother transition as Miti takes over full responsibility on the issuance of the certificates.

Its treasurer-general D Koong Lin Loong proposed the chambers assist by reviewing and verifying applications by Miti's final approval to reduce the ministry's workload and ensure efficiency.

"We support the centralisation but caution against implementation it too abruptly. Many exporters have yet to secure their certificates and a sudden change could lead to disruptions," he said.

Similarly, SME Association Malaysia president Chin Seong said Miti's ability to manage the transition effectively depends on robust digital infrastructure and timely support.

He urged continued collaboration with industry associations to ensure accessibility and a better understanding of business backgrounds.

"With every export requiring a certificate, this change impacts every transaction. There must be a clear, efficient process to avoid delays. The success of this transition will become clearer in weeks ahead," he said.