

MISIF Signs MoU with CCCME

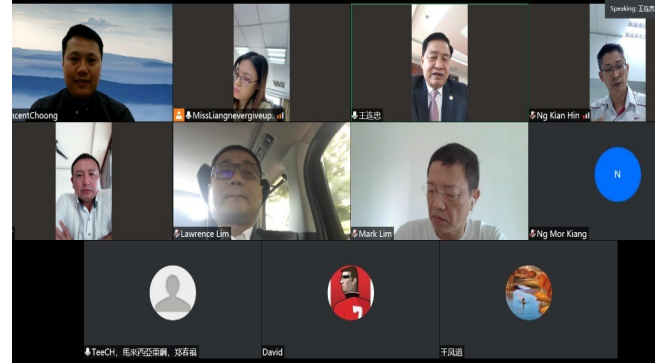
MISIF signed the MoU with China Chamber of Commerce for Metallurgical Enterprises (CCCME) on 9 September 2020.

Dato' Lim Hong Thye, President of MISIF signed the MoU while CCCME was represented by Mr Lianzhong Wang, Deputy President of CCCME.

MISIF regarded the collaboration with CCCME as a significant step for the development of the iron and steel industry between Malaysia and China.

The MoU covered a wide-ranging area of cooperation and provided synergies on a number of disciplines, particularly on international collaboration programmes:

- To promote cooperation among the Parties for the development of iron and steel industry between Malaysia and China;
- To facilitate exchanges of ideas, news, information, or any other information of mutual interest among the Parties on iron and steel industry in this region and globally;
- To participate in meetings, exchanged visits, exhibitions and technical seminars of common interest for both parties;
- To organise and conduct talent training and exchanges or joint research projects for the purpose to improve the level of technology and management talents in iron and steel enterprises for both parties;



MISIF held the first virtual dialogue with CCCME on the 28 October 2020 to further discuss and exchange views on the collaboration efforts.

- To reflect the demands of the partner to the local government, communicate and coordinate problems arising from the implementation of bilateral cooperation.

Soon after the historic signing of the MoU, the Presidential Committee, which led by the President, Dato' Lim Hong Thye, held the first dialogue with CCCME to exchange views and insights of the industry with respect to own domain. The meeting held on 28 October 2020 via a virtual platform. MISIF envisages more promising collaborations with our stakeholders in the region for a more conducive iron and steel industry.

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InvestMalaysia (Go-Live) System

MIDA launched the Tax Exemption (JPC) module under InvestMalaysia (Go-Live) system on 24 July 2020.

MISIF members had been facing many problems and issues on their online submission since the system's inception.

In response to MISIF's request in seeking further clarifications on the usage of the new system, MIDA Tariff Section conducted a live webinar on submission of import duty exemption applications for raw materials and components (Iron and Steel, HS Codes 7201-7316) on 25 November 2020.

Over 400 participants registered for the webinar officiated by En. Mohd Zulkaflī Ismail, Executive Director, Post Investment of MIDA while Pn. Nur Hazwani Ruslan gave a system walkthrough followed by Q&A session.

The webinar was aimed to guide applicants to use the system aptly. MIDA has also shared the download link of the webinar's record to members for future reference on the application processes via the system. Kindly contact MISIF Secretariat if you wish to access the download link.

For enquiries and further clarifications on the guidelines and procedures for application for import duty and sales tax exemption on raw materials and components for manufacturing sectors, please contact Tariff Section of MIDA at 03-22673633 or email: investmalaysia@mida.gov.my.

CIDB-SIRIM-MISIF-SWAM Task Force on PMF

The MISIF Steel Wire group participated in the recent CIDB-SIRIM-MISIF-SWAM Task Force meetings to discuss the prevailing issue about Purpose-made Fabric (PMF). Members of the steel wire group encountered difficulty in obtaining the Product Certification (PC) and *Perakuan Pematuhan Standard* (PPS) due to the perplexity of PMF testing procedure.

The group, led by Mr Yeoh Choon Kwee, managed to gain mutual understanding with the rest of the parties in the latest development. The task force members have met on several occasions to work on the sensible ways in dealing with the PMF issue.



En. Mohd Zulkaflī Ismail giving his opening remarks at the webinar session.

With reference to the MISIF circular (C20/2020) on 27 October, CIDB agreed that pertinent members could:

- submit their PMF for testing with SIRIM or other Certification Bodies (CB) as soon as possible and to obtain PPS within the grace period by 31 December 2020;
- submit a Letter of Undertaking (LoU) to CIDB in assuring the quality of their products during the grace period to obtain PPS;
- attached the receipt of PMF test application with CB as a prove during LoU submission

The template of LoU and the details for the submission could be obtained from the MISIF Secretariat.

If you have additional enquiries/required assistance, please contact CIDB at 03-5567 3300 or email at utp_bahan@cidb.gov.my

SIRIM and CIDB Reminds Wire Mesh/Steel Wire Producers to Comply with the Fourth Schedule of the CIDB Act (Act 520)

At the same task force meeting held on 27 November 2020, CIDB and SIRIM urged the industry to fully comply with the Fourth Schedule of the CIDB Act (Act 520).

Members were reminded that any person who deals or undertakes to deal with uncertified construction materials, also commonly known as CQ mesh, shall be guilty of an offence and shall be liable to a fine of not less than RM10,000 but not more than RM500,000.

In this regard, the Secretariat has attached a copy of Act 520 in the recent circular (C23-2020), which can be referred from MISIF website at <https://bit.ly/3hpy467>

Webinar on Plumbing Material Options for 21st Century Water Systems

MISIF, Nickel Institute (NI) and the International Molybdenum Association (IMOA) jointly organized the fourth webinar on "Plumbing Material Options for 21st Century Water Systems" on 7 October 2020 and 3 November 2020 to promote wider applications of stainless steel as a material.

The webinar session was attended by 40 participants and presented by Dr. David Nicholas (Principal of Nicholas Corrosion Pty Ltd.) and Mr. Kim Burton (Burton Consulting Services), consultants of Nickel Institute (Ni).

The webinar was divided into three separate but interrelated modules. Dr. David Nicholas introduced stainless steel's general use in the water industry, including a comparison with competitive materials and the benefits of investing in a material with proven longevity.

Mr. Kim Burton reviewed the history of connections made from the premises to the water utility mains vis the meter and the drawbacks of many of the materials used to date. He showed the benefits of using stainless steel in the form of stainless partially corrugated water tube (SPCT) and show examples where this has been successfully used, particularly in Tokyo.

Dr. David Nicholas concluded the session with a presentation on the use of stainless steel within building plumbing systems, a role which is rapidly expanding.

MISIF had been regularly collaborating with NI (based in Belgium) and IMOA (based in United Kingdom) in conducting workshops and courses relating to the application of stainless steel in the various sectors.

Dialogue Session with the Ministry of Works

In view of the escalating numbers of Covid-19 infections in the third wave of the pandemic, the Ministry of Works perpetuated industry dialogue sessions to amass opinions from the concerned parties of the construction-related sectors. However, this dialogue session was held through a virtual platform.

The Ministry of Works had also called the Ministry of Human Resources and Ministry of Health into the discussion to attune information in curbing the spread of Covid-19 virus in the workplace. It was particular to the recent surge of COVID-19 cluster in the construction and manufacturing sectors.

The session allowed industry players to provide inputs about challenges on the ground in battling the spread of COVID-19. The ministries and members of the industry went on to explore possibilities to enhance policies implementation in the sector to the extent of providing relief from the testing cost.

The chairman of the dialogue, Dato' Sri Haji Fadillah Yusof, Minister of Works, invited CIDB to update the SOP in construction sites and Centralised Labour Quarter (CLQ) of workers. CIDB also proposed strategies to curb infection at the construction site during the session.

The Human Resources Minister, Dato Seri M Saravanan, expressed his concerns about the condition of the foreign workers' housing and amenities, which might give rise to more related Covid-19 clusters. He highlighted the importance to comply with the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446).

As for the Ministry of Health, Tan Sri Dr Noor Hisham Abdullah gave insights and in-depth information of the virus infectivity with respect to the workforce environment. He expounded alternatives to perform mass testing on employees during the discussion.

MISIF Vice President, Dato' Lawrence Lim and Mr Vincent Choong participated in the dialogue. The two hours dialogue session had paved the way for the collaboration between the industrial bodies and policymakers to mitigate the pandemic's damage while balancing the recovery of the economy.

SEAISI 29th Statistical and Economic Committee (STECO) Meeting

Members of the STECO participated in the 29th meeting on 11 November via online despite travel barrier caused by the pandemic. Representatives from Indonesia, Singapore, Thailand, Japan, Vietnam, Philippines, Malaysia and the World Steel Association (WSA) gathered to exchange and share insights of the iron and steel industry in the region in fostering a progressive development of the industry.

The MISIF Secretariat represented Malaysia in the meeting to share statistical data of the local industry. The discussion comprised the country report's presentation on respective country's economic performance, steel-consuming sector growth, update on steel production, import, export, consumption for first half 2020 and the impact of COVID-19 to the industry.

The committee discussed and set about adopting a new format of reporting the country presentation that would focus on steel demand forecast based on steel-consuming sectors' growth. The committee also proposed an idea to introduce STECO meeting as a mini-event. The committee will discuss the groundwork of the mini-event in coming January.

WSA representatives and Committee member from Japan, Mr Naoto Koda endorsed to share their experience and expertise with the ASEAN committee members on the new reporting method.

The discussion also covered the following

- New investment projects and investment on Induction Furnace in ASEAN countries
- Update on Trade Measures;

- E-Stats Services;
- Electronic Publishing and Marketing;
- Improvement of Statistical Data.

It would be a pertinent endeavour for the committee to furnish comprehensive industry data for further analysis in the future publication.

MISIF's Participation in 2020 SEAISI e-Forum on Sustainable Construction Sector

MISIF had supported and participated in the 2020 SEAISI e-Forum on Sustainable Construction Sector, which was held from 24 to 27 November 2020. The 3-day e-forum propagated the construction sector's matters in the purview of the iron and steel industry.

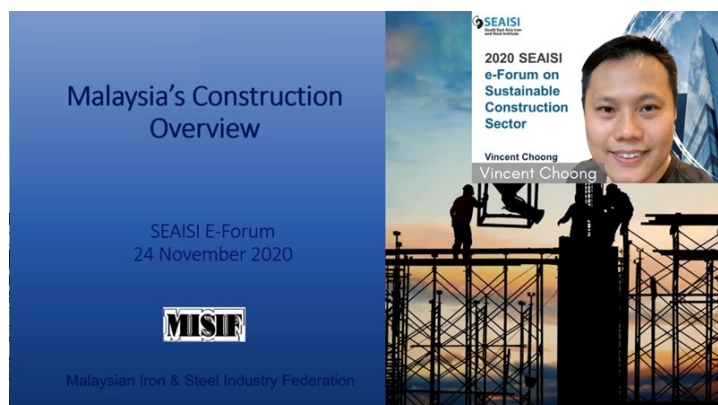
The working committee has invited all SEAISI members to the e-forum, which incorporated members of MISIF as well. The aspiration of the newly themed e-forum is to take a closer look at how the construction and steel industry sustain their businesses amid the pandemic.

The key highlights were:

- Steel Market Perspectives & Challenges ;
- Steel Construction Development in ASEAN Countries;
- Development of Design and Technology for Steel Construction;
- Special Session – Future Building Construction: How Could a New Normal Look Like?

As a representative of the ASEAN-7 countries, MISIF presented in-depth insights about construction sectors in Malaysia's context, which also encompassed the purview of the iron and steel industry. MISIF's speakers, Mr Tan Cheng Swee and Mr Vincent Choong, who represented the SEAISI Sub-committee (Steel Applications in Construction Sector) delivered the presentation in unison.

The Secretariat would like to take this opportunity to thank members of MISIF, who represented MISIF in the SEAISI's working committees and dedicated their time and effort to amass data of the industry and deduce updates and information for the event.



MISIF's speaker was presenting Malaysia's Construction Overview during the e-forum.

Impending Termination of Anti-Dumping Duties on Imports of CRC of Alloy and Non-Alloy Steel

The Government of Malaysia had given notice that the anti-dumping duties imposed on imports of cold-rolled coils of alloy steel and non-alloy steel of a thickness between 0.20–2.60 mm and width between 700–1,300 mm excluding tin mill black plate and subject merchandise imported for the purpose of automotive end-usage of all grades and specifications originating or exported from the People’s Republic of China, the Republic of Korea and the Socialist Republic of Vietnam had been revoked on 8 May 2019 whereas the same duties under the Customs (Anti-Dumping Duties) (Administrative Review) was due to expire on 23 May 2021.

The subject merchandise was classified under the Harmonise System Code (H.S. Code) and ASEAN Harmonised Tariff Nomenclature (AHTN) 7209.15.00 00, 7209.16.10 00, 7209.16.90 00, 7209.17.10 00, 7209.17.90 00, 7200.18.99 00, 7225.50.10 00 and 7225.50.90 00.

The subject merchandise was subject to anti-dumping duties from 24 May 2016 to 23 May 2021 under the Customs (Anti-Dumping Duties) Order. The rates of the anti-dumping duties imposed in relation to the imports of the subject merchandise were between nil to 42.08% of the export price.

Interested parties likely to be affected by the termination of the imposition of the anti-dumping duties may give their views by addressing the following issues:

- whether the continued imposition of the anti-dumping duties was necessary to offset the dumping of the subject merchandise;
- whether the injury would likely to continue.

The submission of the views or information should be addressed to the Trade Practices Section of MITI (email: alltps@miti.gov.my).

Final Determination of AD Investigation on Imports of Flat Rolled Product of Non-Alloy Steel Plated or Coated with Aluminium and Zinc

The Government of Malaysia made a final determination with regard to the imports of flat-rolled product of non-alloy steel plated or coated with aluminium and zinc classified under the H.S. Code and AHTN 7210.61.11 00, 7210.61.12 00, 7210.61.19 00, 7210.61.91 00, 7210.61.92 00, 7210.61.99 00, 7212.50.23 00, 7212.50.24 90, 7212.50.29 10 and 7212.50.29 90 (subject merchandise) originating or exported from the People’s Republic of China, the Republic of Korea and the Socialist Republic of Viet Nam.

The particulars relating to the dumping margin with regard to the imports of the subject merchandise originating or exported from the People’s Republic of China, the Republic of Korea and the Socialist Republic of Viet Nam which were found from the affirmative final determination process as specified in the First Schedule.

The reasons for the final determination were as follows:

- The export price of the subject merchandise was less than its normal value;
- The domestic industry in Malaysia producing the like had suffered material injury that could be reasonably linked to the importation of the subject merchandise into Malaysia; and
- The dumping margin was found to exist through the dumping activities by the producers or exporters from the People’s Republic of China, the Republic of Korea and the Socialist Republic of Vietnam as specified in the First Schedule except for producers or exporters Yieh Phui (China) Technomaterial Co., Ltd. and Southern Steel Sheet Co., Ltd. since the dumping margins value for such producers or exporters were *de minimis*.

The anti-dumping duties imposed on the producers or exporters except for Yieh Phui (China) Technomaterial Co., Ltd. and Southern Steel Sheet Co. Ltd. shall apply for a period of five years from 12 December 2020 to 11 December 2025.

Country	Producer / Exporter	Rate of Duty (% of the Cost, Insurance and Freight (CIF) Value)
The People’s Republic of China	(i) Jiangyin Zongcheng Steel Co., Ltd	7.58%
	(ii) Shandong Bofeng New Material Co., Ltd.	2.18%
	(iv) Others	18.88%
The Republic of Korea	(i) KG Dongbu Steel Co., Ltd.	9.98%
	(ii) Others	34.94%
The Socialist Republic of Vietnam	(i) Hoa Phat Steel Sheet Company	3.06%
	(ii) Hoa Sen Group	16.55%
	(iii) Maruichi Sun Steel Joint Stock Company	4.53%
	(iv) Nam Kim Steel Joint Stock Company	5.04%
	(vi) Tan Phuoc Khanh Trading & Manufacturing Coil Steel JSC	4.22%
	(vii) Tay Nam Manufacturing & Trading Co., Ltd.	5.48%
	(viii) Ton Dong A Corporation	15.87%
	(ix) Others	37.14%

Table 1: Anti-dumping Duties

Preliminary Determination of Anti-Dumping Investigation Concerning Imports of Cold-Rolled Stainless Steel

The Government of Malaysia completed the preliminary determination of the anti-dumping investigation concerning imports of cold rolled stainless steel in coils, sheets or any other form classified under H.S. Code and AHTN 7219.31.00 00, 7219.32.00 00, 7219.33.00 00, 7219.34.00 00, 7219.35.00 00, 7220.20.10 00, 7220.20.90 00 (subject merchandise) originating or exported from the Republic of Indonesia and the Socialist Republic of Viet Nam as provided under Section 23 of the Countervailing and Anti-Dumping Duties Act 1993 (the Act).

In regard to the preliminary determination, the Government has put up a notice on the provisional measures applicable in the form of provisional anti-dumping duties specified as follows:

Country	Producers/ Exporters	Rate of Duty (% of the Cost, Insurance (CIF Value)
The Republic of Indonesia	PT IMR ARC Steel	7.73%
	PT Indonesia Ruipu Nickel and Chrome Alloy	34.82%
	Others	34.82%
The Socialist Republic of Vietnam	POSCO VST Co., Ltd	23.84%
	Others	23.84%

Table 2: Provisional Anti-dumping Duties

The Government of Malaysia initiated the anti-dumping investigation on 28 July 2020 in accordance with the Act and Countervailing and Anti-Dumping Duties Regulation 1994 based on a petition filed by Bahru Stainless Sdn. Bhd. (the Petitioner) as the sole domestic industry producing the like product.

The Petitioner claimed that imports of subject merchandise originating or exported from the alleged countries were being imported into Malaysia at a price lower than the selling price in their domestic market and caused material injury to the domestic industry in Malaysia.

A final determination would be made no later than 23 April 2021. Interested parties, such as importers, foreign producers or/and exporters and associations related to the investigation could access the non-confidential version of the

report on the Preliminary Determination by submitting a written request to the Trade Practices Section of Ministry of International Trade and Industry (email: alltps@miti.gov.my).

Members can download the official gazette for reference from the below link http://www.federalgazette.agc.gov.my/output/pub_20201224_PUB709.pdf

Implementation of Imbalance Cost Pass-Through (ICPT) Mechanism for January - June 2021

Tenaga Nasional Berhad (TNB) announced that the Government of Malaysia had approved via a letter from Suruhanjaya Tenaga (ST) dated 22 December 2020, the continued implementation of Imbalance Cost Pass-Through (ICPT) mechanism and a one-year extension of the Second Regulatory Period (RP2) of the Incentive Based Regulation (IBR) for 2021.

The ICPT is a mechanism approved by the Government and implemented by ST since 1 January 2014 as part of a wider regulatory reform called the Incentive Based Regulation.

ICPT mechanism allows TNB to reflect changes in fuel and generation costs in consumer's electricity tariff every six (6) months. This mechanism was implemented according to Section 26 of Electricity Supply (Amendment) Act 2015.

Beginning from 1 January 2021 until 30 June 2021, the Government had approved an ICPT rebate of 2.00 sen/kWh for all customers including domestic customers with monthly consumption of 300kWh and below. This ICPT rebate was a result of a reduction in actual fuel costs for the period of July to December 2020, consistent with the reduction in actual coal and gas prices for the power sector.

The following were the details of the actual fuel prices for the period of July to December 2020:

- Lower average coal price in the global market at USD58.6/MT, compared to the benchmark coal price set in the base tariff at USD75/

MT; and;

- Lower power sector gas price at RM21.0/mmbtu, compared to the benchmark gas price set in the base tariff of RM27.20/mmbtu.

Any shortfall or excess in the ICPT would be funded or transferred to customers via *Kumpulan Wang Industri Elektrik* (KWIE) fund to aid in the stabilisation of electricity tariff in the future via gradual build-up of the fund.

TNB also informed that the impact of ICPT implementation was neutral on TNB and would not have any effect to its business operations and financial position.

The Government had also approved a one-year extension of the Second Regulatory Period (RP2) of the IBR for year 2021. Beginning from 1 January 2021, the current base tariff of 39.45 sen/kWh and the Electricity Tariff Schedule were maintained and would continue to be applicable until 31 December 2021. Any variations in the fuel costs would be addressed via the ICPT mechanism.

With this, the Third Regulatory Period (RP3) was shifted by one (1) year to start on 1 January 2022 and ends on 31 December 2024. This decision was made following the uncertainty in demand outlook for 2021 and the instability of the current global fuel markets following the COVID-19 pandemic.

Please refer to ST's website (www.st.gov.my) for further details on the ICPT implementation and the one-year extension of the RP2 period.

