

## Update on Iron and Steel Policy

The government of Malaysia finally revised the iron and steel policy at the end of last year.

The revisions came after a long wait by industry players who provide an insight into the steel industry landscape, a paper on the Iron and Steel industry (White Paper), which was submitted on 30 April 2019 at the request of MITI in 2018. The White Paper outlined recommendations on the way forward through leverage on the strength of existing players and provided a forecast of the demand and needs of the industry. Recommendations in the White Paper served as the basis for the updated iron and steel industry policy intended to balance the sustainable development of the domestic iron and steel industry and promote international trade and investments.

In a letter issued by MITI to the industry in December, the ministry outlined six revisions to the iron and steel policy:

- Tighter conditions for issuance of new

- Manufacturing License (ML);
- Extension of current import duty structure including for long and flat products ranging from 5-15% until 31 December 2021;
- Introduction of 15% export duty on ferrous scrap with Export License mechanism for monitoring purposes;
- Options for import duty exemption application via Jawatankuasa Pengecualian Cukai (JPC3) or duty drawback facility for export purposes through Licensed Manufacturing Warehouse (LMW) and Free Zone (FZ);
- Issuance of Manufacturing License and exemption from ML (ICA10) for scrap metal recycling activities will be considered based on merit of the project and its spillover effects to existing domestic supply chain;
- For importation of metal scrap:
  - ◆ existing ML holders undertaking recycling activities are allowed to import metal scrap for HS Code 7204 (iron & steel), 7404 (copper) and 7602 (aluminium) subject to approval by SIRIM under Perintah Larangan Kastam. Its process will

be outlined in an updated metal scrap importation Guidelines issued by Department of Environment (DOE);

- ◆ traders are not allowed to import metal scrap. Consideration will be given to allow import of scraps directly via trading arm/third party based on verified invoice from steel mills for steel making activities and from existing recyclers for recovery activities.

## Customs Duties (Amendment) 2021

The Federal Government Gazette published on 19 March 2021 stated that the Customs Duties Order 2017 (P.U. (A) 5/2017) had been amended in the First Schedule in relation to subheadings 7204.10.00 00, 7204.29.00 00, 7204.30.00 00, 7204.41.00 00, 7204.49.00 00, in column (6), by substituting for the words "0%" the words "15%".

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## Berita MISIF Editorial Committee

Chairman: En. Roshan M. Abdullah  
Secretariat: Mr. Vincent Choong, Ms. Ng Mor Kiang

### Published by:

Malaysian Iron & Steel Industry Federation  
No 28 & 30E, 5<sup>th</sup> Floor, Block 2, Worldwide Business Park  
Jalan Tinju 13/50, Section 13, 40675 Shah Alam,  
Selangor, Malaysia  
Phone: 603-55133970 Fax: 603-55133891  
Website: www.misif.org.my Email: enquiry@misif.org.my

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## Guidelines for Importation and Inspection of Metal Scrap

SIRIM QAS International Sdn. Bhd (SIRIM QAS) in collaboration with the Ministry of International Trade and Industry (MITI) had organised an online seminar on Guidelines for Importation and Inspection of Metal Scrap on 22 February 2021.

The webinar was organised with the objective to provide a better understanding of the proposed guidelines amongst industry players and stakeholders.

Under the purview of MITI, all metal scraps intended to be imported into Malaysia are subject to the inspection process and issuance of a Certificate of Approval (CoA) as per Customs (Prohibition of Imports) Order 2017.

The proposed guidelines specified the requirements that must be adhered to the importation, inspection and COA issuance of metal scraps into Malaysia for manufacturing purposes along with the objective of protecting the environment.

This set of guidelines also provided information on metal scrap criteria for the importation, pre-conditions/pre-qualifiers for CoA application and the entailed procedures.

MISIF Steel Mills Group, together with the Malaysia Steel Association (MSA) had held a virtual engagement session with SIRIM QAS on 9 March 2021 to raise concerns of the industry on the proposed guidelines. MISIF President, Dato' Lim Hong Thye and other representatives from the group participated in the session.

MISIF and MSA had jointly submitted a consolidated industry's inputs to SIRIM QAS on the guidelines subsequent to the discussion.

Members can also get a copy of the proposed Guidelines for Importation and Inspection of Metal Scrap from the MISIF Secretariat. Kindly email to [vincent@misif.org.my](mailto:vincent@misif.org.my)



MISIF & MSA held engagement session with SIRIM QAS on the proposed Guidelines for Importation and Inspection of Metal Scrap

## MISIF Forms Statistical Review Committee

MISIF Council meeting on 13 January 2021 agreed to the formation of the MISIF Statistical Review Committee.

Statistical Review Committee is the latest addition to the existing eight (8) working committees established to discuss and review statistical data and the Iron and Steel industry analysis. The newly formed committee holds the noble mission to verify industrial information, which provides crucial insights into the Iron and Steel industry. The committee's roles are anticipated to provide more value to MISIF members and other stakeholders in promoting the Iron and Steel industry.

At the first meeting held on 29 January 2021, the Council member, Mr Ooi Peng Yeow of Southern Steel Mesh Sdn Bhd, was nominated as the Statistical Review Committee chairman.

The committee identified the following objectives in its first meeting:

- To provide support to the secretariat in ratifying statistical data of the iron and steel industry and analysis of the Malaysian iron and steel industry;
- To review information and statistical data of the iron and steel industry in MISIF's capacity;
- To uphold MISIF'S publication and information pertinent to the Malaysian iron and steel industry;
- To set a standard in industry report and publication through contemporary methodology in conducting the analysis.

The committee's roles are also expected to review reports at SEAISI events, integrate the SWIP model forecast, work on a new format of reporting the steel demand and forecast steel-consuming data based on sectors.

The committee held a second meeting on 23 February 2021 to further discuss the data analysis methodology together with Ms Pichsini and Mr Yeoh Wee Jin from SEAISI in understanding more on the matters of steel-consuming sectors and SWIP methodology (steel weighted production index).

## New Members - Ordinary

### KNM Exotic Equipment Sdn Bhd

*Location:* 15, Jalan Dagang SB 4/1, Taman Sungai Besi Indah, 43300 Seri Kembangan, Selangor

*Products Manufactured:* Process equipment, pressure vessels, heat exchangers, skid mounted assemblies, process pipe systems, storage tanks, specialised structural assemblies and module assemblies for the oil, gas and petrochemical industries

### Kamen Steel Industries Sdn Bhd

*Location:* 873, Jalan Perindustrian Bukit Minyak, Kawasan Perindustrian Bukit Minyak, 14000 Bukit Mertajam, Penang

*Products Manufactured:* Steel mesh, security fence

## Webinar on Stainless Steels in Aqueous Environments

MISIF, Nickel Institute and International Molybdenum Association jointly organised a webinar titled "Stainless Steels in Aqueous Environments" on 24 March 2021.

The webinar session was conducted by Dr David Nicholas, Nickel Institute Consultant; Principal of Nicholas Corrosion Pty Ltd and designed to provide participants with the basics for understanding the usage of stainless steels and promote wider applications for stainless steels as a material.

A total of 58 participants from various steel-related companies joined the webinar session.

The webinar was divided into three separate but interrelated modules:

- Introduction - basics of aqueous corrosion, introduction of stainless steel, grades of stainless for immersing service, competitive materials;
- Water & wastewater treatment and reticulation - examples and case studies of plant construction from stainless including pipework;
- Stainless steel in buildings - included SPCT main to meter, buildings and build storage tanks with comparison to competitive materials, pipe-works in high-rise buildings.

## AD Review on Imports of Pre-Painted, Painted or Colour Coated Steel Coils Originating or Exported From The People's Republic of China and The Socialist Republic of Viet Nam

The government of Malaysia received a petition from CSC Steel Sdn. Bhd., a domestic producer, requesting for an application of administrative review (sunset review) on the anti-dumping duties imposed on pre-painted, painted or colour coated steel coils (subject merchandise) originating or exported from People's Republic of China (PRC) and the Socialist Republic Of Viet Nam (Viet Nam).

The petitioner alleged that imports of subject merchandise originating or imported from PRC and Viet Nam was being dumped at a price much lower than their domestic selling price and want the government of Malaysia to continue the imposition of anti-dumping duties on the subject merchandise.

The petitioner further claimed that imports from the alleged countries have increased and the domestic industry suffered material injury.

The government evaluated and considered the evidence of dumping, injury and the causal link, and decided to initiate an administrative review (sunset review) investigation on imports of the subject merchandise from the alleged countries.

In accordance with the Countervailing and Anti-dumping Duties Act, 1993 and its related regulations, a final determination on the investigation would be made within 180 days from the date of initiation.

If the final determination was affirmative, the government would impose an anti-dumping duty at the rate that is necessary to prevent further injury to the domestic industry.

The information is referred to the Ministry of International Trade and Industry (MITI)'s official media release, which was published on 29 January 2021 via their official portal.

## Forthcoming MISIF Events

### Webinar on Business Resilience Is No Longer Optional

Date: 22 April 2021

Time: 3.00 pm

Platform: To be confirmed

Speaker: Mr. Andy Reid, Director of Product Marketing, International, Epicor Software (UK)

### Webinar on Welding Stainless Steels and High Nickel Alloys

Date: 27 April 2020

Time: 10.00 am

Platform: Online via Zoom

Speaker: Dr. Graham Sussex, Nickel Institute

### Training Course on Steel Metallurgy: Microstructure, Process & Properties

Date: 14-15 June 2021

Platform: Online Via Webex

Speaker: Assoc. Prof. Dr. Nurulakmal bt. Mohd Sharif, School of Materials & Mineral Resources Engineering, Universiti Sains Malaysia (USM)

### Webinar on Tanks and Pressure Vessels

Date: 23 June 2021

Time: 10.00 am

Platform: Online via Zoom

Speaker: To be confirmed from Nickel Institute

### Forum on How Smart Technologies Helped Solve the Business Challenges

Date: 30 June 2021

Time: 2.00 pm

Platform: To be confirmed

Speaker: To be confirmed from Epicor

### Webinar on ABC (Architectural, Building, Construction)

Date: 14 July 2021

Time: 10.00 am

Platform: Online via Zoom

Speaker: To be confirmed from Nickel Institute

### Webinar on How Technology Solution is Deployed for Industry 4.0 – Stay In and Stay Ahead

Date: To be confirmed

Time: 2.00 pm

Platform: To be confirmed

### Training Course on Metal Plating for Corrosion and Wear

Date: To be confirmed

Platform: Online Via Webex

Speaker: Assoc. Prof. Dr. Nurulakmal bt. Mohd Sharif & Dr. Anasyida bt. Abu Seman, School of Materials & Mineral Resources Engineering, Universiti Sains Malaysia (USM)

For further details, please contact Ms. Norlian of MISIF Secretariat at 03-55133970

# SEAISI Statistical and Economic Committee Meeting

SEAISI Statistical and Economic Committee (STECO) first discussion on the Mini Event (ASEAN Steel Demand Short Term Outlook) was successfully held online on 8 January 2021.

Representatives from Indonesia, Singapore, Thailand, Japan, Vietnam, Philippines, Malaysia and World Steel Association (WSA) attended the meeting to discuss on each country's steel demand short term outlook based on steel-consuming sectors' growth.



SEAISI STECO committee representatives at the meeting.

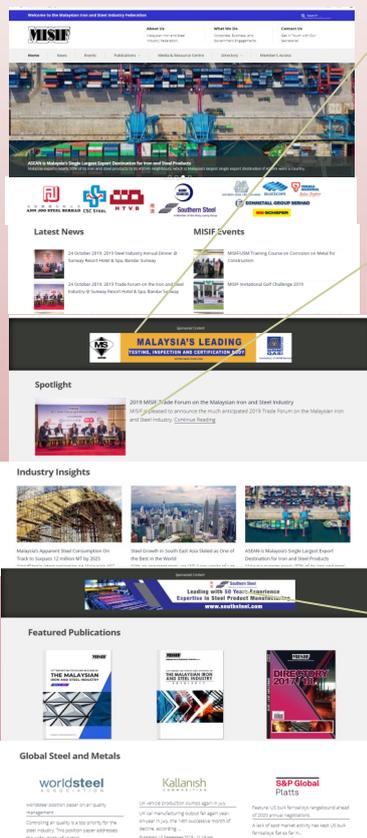
## Advertise Your Business with Us

MISIF has upgraded its website to keep pace with the changing social media trends and to provide easier access to contents in meeting the requirements of businesses today.

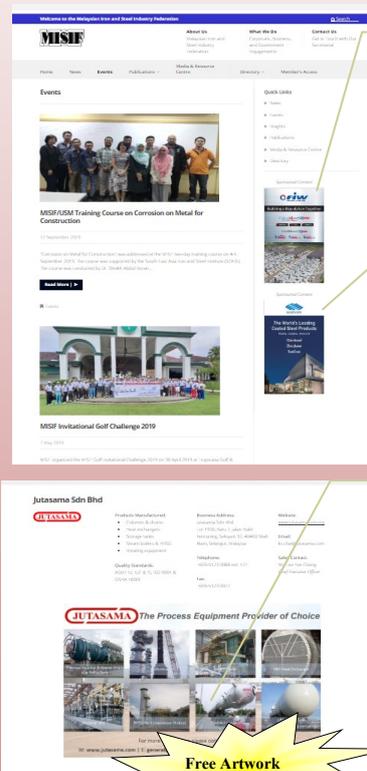
MISIF, being the collective and trusted voice of the steel industry, had been providing the platform and opportunity for companies to promote their business or highlight their new products via banner advertisements. Banners placed on our homepage allow web visitors to see a variety of products and services at any given time, thus grabbing the attention and increase brand awareness. With daily postings and regular announcements, there had been substantial visitors and users to MISIF homepage.

We are now offering companies the opportunity to promote your range of products through the posting of banner advertisement on our website. This banner advertisement will be hyperlinked to your own corporation's homepage whereby our visitors can browse through the portfolio of products and services which simultaneously will act as another form of virtual 24 hours promotion of your company.

For more information on how to advertise with us, please call the Ms Norlian of the MISIF Secretariat at 03-55133970.



- Leaderboard 1 (Homepage)**
  - Desktop Screens (750 x 110 pixels)
  - (6.4 x 0.9 cm @ 300 dpi in Jpeg)
- Spotlight Ad (Homepage)**
  - Desktop Screens (1280 x 720 pixels)
  - (10.8 x 4.5 cm @ 300 dpi in Jpeg)
  - Actual page/post with content (i.e. to announce new products launch,
- Leaderboard 2 (Homepage)**
  - Desktop Screens (750 x 110 pixels)
  - (6.4 x 0.9 cm @ 300 dpi in Jpeg)



- Skyscraper 1**
  - Desktop Screen (240 x 400 pixels)
  - (2.0 x 3.4 cm @ 300 dpi in Jpeg)
- Skyscraper 2**
  - Desktop Screen (240 x 400 pixels)
  - (2.0 x 3.4 cm @ 300 dpi in Jpeg)
- \* Profile Page Featured Image (Member's Directory)**
  - Desktop Screens (1280 x 720 pixels)
  - (10.8 x 4.5 cm @ 300 dpi in Jpeg)





# DEALING WITH NON-CERTIFIED STEEL WIRE MESH IS ILLEGAL

**SIRIM QAS International shares how to identify and avoid using  
CQ Mesh in the construction field**

**A**ccording to CIDB Act 520, steel wire mesh needs to be certified and obtain Perakuan Pematuhan Standard (PPS). PPS is issued by the Construction Industry Development Board (CIDB) itself whilst certification can be obtained from SIRIM, an appointed Certification Body or other approved certification bodies. Under Section 33C, any person who deals or undertakes to deal with construction materials specified in the Fourth Schedule without CIDB PPS shall be deemed guilty of an offence. "Deal" means to handle, use, manufacture, supply, market, transfer, sell, or buy, whether wholesale or retail, import, or export.

Regrettably after long years of awareness and enforcement, non-certified steel wire mesh – also known as CQ Mesh – is still readily available in the market. Recently, CIDB has received feedbacks and complaints from various industry players on CQ Mesh being supplied and used in the construction field.

## WHAT IS CQ MESH?

Wire mesh is a factory-made machine-welded steel fabric for the reinforcement of concrete conforming to MS 145 : 2014. Generally, CQ Mesh refers to wire mesh that does not comply with standards, customarily in some or all of the following:

### 1) Out of mass tolerance (under-size)

This is the most cliché issue found in the industry, where manufacturers seek to gain extra revenue by supplying wire mesh with mass per meter (kg/m) much lower than the allowed tolerance requirement stated in the product standard.

### 2) Mechanical properties failure

Mechanical properties like tensile, yield, tensile/yield ratio and elongation (Agt) play a fundamental role in the integrity of concrete structures. When there's failure in one of these mechanical properties, it could be due to poor steel quality, manufacturing process, or habitually by out of mass tolerance (under-size) bar.

### 3) Absence of rolled on bar mark

Rolled on bar mark is used as a manufacturer's identification mark. Steel wire mesh without the bar mark will not show any sign of traceability from steel wire mesh supplied for construction usage to the actual manufacturers. In the event of loss of wire mesh tagging which contains wire mesh information, it is still possible to trace and track the product through the rolled on bar mark.

4) **Improper identification tag**

The proper identification tag with required information is essential to provide necessary product details and certification information to all relevant parties. Typically, CQ Mesh did not come with proper and complete tag information. Instead, it is supplied with hand-written tags with just elementary information.

**MISUSE OF SIRIM CERTIFICATION MARK**

In certain instances, suppliers of CQ Mesh may use SIRIM Certification Mark without approval on the identification tag to highlight the impression of legitimate and compliance. Such misuse of SIRIM Certification Mark is an enormous predicament in the industry as it sought to mislead consumers. SIRIM QAS International takes a very grave assessment on this matter and will initiate legal action against offenders.

**HOW TO IDENTIFY COMPLIED MESH**

The following are some necessary steps to govern if mesh complies with MS 145 : 2014 and MS 146 : 2014. The first two checks are visual observation. If both checks pass, then perform a humble "Quick Test" to check the mass of the bar.

- 1) Check rolled on bar mark - No rolled on bar mark means CQ Mesh.

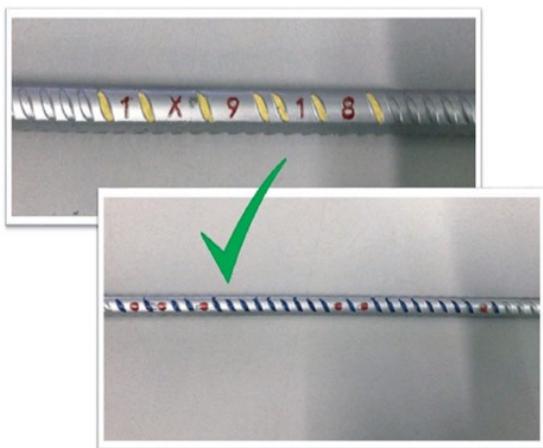


Figure 1: Certified wire mesh shall have rolled-mark on the ribbed wire.



Figure 2: Without bar marking = non-certified.

- 2) Check identification tag - incomplete information for instance, mesh reference, steel grade, sheet size, and quantity means CQ Mesh. Non-availability of complete SIRIM Certification Mark is also an indication of CQ Mesh. The tag shall at least have details, as shown in Table 1 below.

LICENSEE'S NAME or TRADEMARK	
MESH REFERENCE	THE GRADE OF MESH
THE TYPE OF MESH	DIMENSION OF MESH
NUMBER OF SHEET	LOT NO. / MANUFACTURING DATE
STANDARD NO.	
SIRIM CERTIFICATION MARK	
SIRIM LICENSE NUMBER	

Table 1: Tag template

ABC SDN. BHD.	
A63	COLD WORKED RIBBED BAR GRADE B500A OF MS 145 : 2014
SQUARE MESH	5000mm x 2100mm
20PIECES	26-June-20
 Certified to MS 145 : 2014 Certification No.: PCXXXXXX*	

Table 2: An example of a proper identification tag.

- 3) Quick test - Cut the wire from the mesh and ensure both ends are trimmed at right-angle to the bar. Weigh the sample (kg) and measure the length (m). Calculate mass per meter by dividing weight per meter. Refer to the table below for the minimum and maximum for weight per meter for preferred diameters.

Size (mm)	Minimum mass per meter (kg/m)	Nominal mass per meter (kg/m)	Maximum mass per meter (kg/m)
6	0.209	0.222	0.235
7	0.284	0.302	0.320
8	0.371	0.395	0.419
9	0.477	0.499	0.521
10	0.589	0.617	0.645
12	0.848	0.888	0.928



SIRIM QAS International



Construction Industry Development Board



Malaysian Iron and Steel Industry Federation



Steel Wire Association of Malaysia