MOVEMENT CONTROL ORDER: PHASE 3 (15-28 APRIL 2020)

15 APRIL 2020



CLIENT ALERT: MCO EXTENDED TO APRIL 28TH

The ongoing nationwide Movement Control Order ("MCO") which is in the second phase will be extended by another two weeks until April 28 as announced by the Prime Minister Tan Sri Muhyiddin Yassin in a special televised broadcast on 10 April 2020. It was said that on the advice of the Health Ministry and health experts, the government has decided to extend the MCO to enable healthcare workers to contain the spread of the Covid-19 outbreak among the community and also in accordance with the view of the World Health Organisation.

During the MCO, all government and private businesses have been shut down except for Essential Services such as water and electricity, telecommunications, transport, banking and food supply. In the second phase of the MCO, a 10km travel restriction was imposed and the public was also barred from carrying passengers in their vehicles except during emergencies with a 10pm to 6am curfew for all vehicles, including those used for e-hailing.

However, in this third phase of the MCO, several sectors involving key areas have been given the green light to resume operations in stages. The government's decision was based on findings from studies that indicate that the spread of Covid-19 would not only have a significant impact on health, but would also have detrimental effects on the economy and the well-being of the people. This step is also necessary to ensure the sustainability of the country's economy post Covid-19, to prevent the loss of jobs among Malaysians and to ensure the public continue to have access to basic needs and critical products throughout the MCO period.

While the government continues to monitor the compliance of the conditions as stipulated by the Health Ministry and also to ensure that health screening and preventive measures are implemented for the safety of employees and customers, the Ministry of International Trade and Industry ("MITI") has engaged with various stakeholders including business and industry associations, SMEs and other relevant Ministries and agencies including the Health Ministry and the National Security Council to identify and review additional economic sectors that can be allowed to operate.



Author: Azura Zulkifli (azura@naqiz.com)

WHEN IS THE END? #COVID19

COMPANIES WITH MITI'S APPROVAL MAY OPERATE DURING THIRD PHASE MCO

Any authorised representative of the following companies:

• Automotive industry (limited to exports of CBU, parts and components, as well as aftersale services, e.g., repair and maintenance)

• Machinery and equipment industry

projects that have achieved physical progress of 90% and above;

tunnelling 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 self-service laundrettes)

WHEN TO APPLY?

Companies in the additional sectors may submit their application through the **COVID-19** Intelligent Management System (CIMS) 2.0 beginning Monday April 13, from 9:00am.

Note: Companies in the additional sectors can only start their operation after approval is given by MITI.

WHO CAN APPLY?

Application can be made through http://application.miti.gov.my/register

Prepare the following:

HOW TO APPLY?

- Company registration details including its SSM number, priorities license number and local authorities license number.
- Company's correspondence and operation address. For the latter, companies are allowed to list up to 10 locations.
- Company's estimated revenue for the year 2017, 2018 and 2019.
- Company's total number of permanent employees. The details of each employee, including name, NRIC or other identification details, nature/scope of work in the company and contact details must be submitted.

Note:

(i) The permitted companies must comply with the requirements of the Standard Operating Procedure and the operating permits are subject to compliance with Health Ministry requirements.

(ii) Companies that failed to comply will have their operating permit revoked and legal action will be taken.

NO HARD COPIES REQUIRED - ALL DIGITAL!

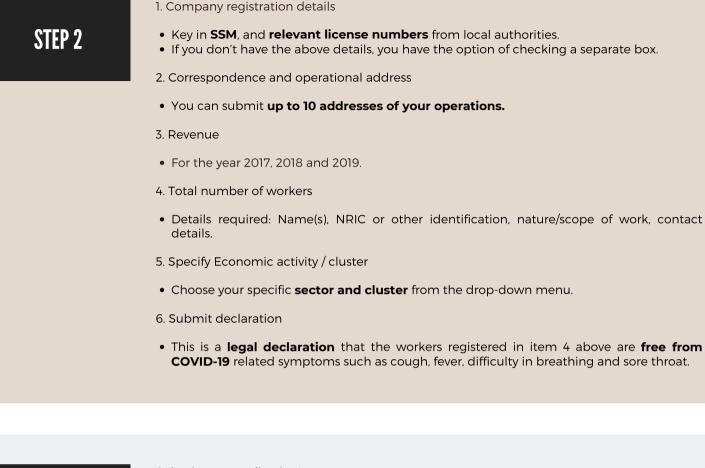


YOUR STEP-BY-STEP GUIDE FOR ONLINE REGISTRATION

STEP 1

1. Read and agree with the Terms and Conditions before proceeding with the registration.

2. Identify a representative from your company to be the contact person.



STEP 3

Submit your application!

- Only complete applications will be processed.
- The processing will take up to five (5) days.

STEP 4

Companies are encouraged to check the status of their application in the system from time to time.

Successful application

- Letter of approval will be auto-generated by CIMS 2.0 containing a QR Code.
- Ensure your **registered workforce** carry a copy of this letter.
- Enforcement agencies may require your workforce to produce **identification** documents such as **company ID** or **appointment** letter, in addition to the approval letter.

Rejected application

• You may submit an appeal to CIMS 2.0 at http://application.miti.gov.my

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OTHER USEFUL INFORMATION RELATED TO ADDITIONAL SECTORS

HUMAN RESOURCE	 The list of approved companies and their workforce will be submitted to MKN, the Ministry of Home Affairs and PDRM in coordinating enforcement operations. If an approved company or employee is detained or not allowed to operate by the authority, they must present the approval letter to facilitate the checking process. Companies are only allowed to operate based on the operating capacity approved by MITI. A worker that is on leave may only be replaced by another worker who is also listed in the application submitted to MITI.
LOGISTIC & MOVEMENT	 Operation hours are subject to the rules stipulated by the Ministry of Transport. Moving lorries should bring a copy of your approval letter to facilitate your movement. Company that is allowed to operate should share a copy of the letter with their employees. Employees are encouraged to carry the letter with them as well as identification documents such as the company's ID. Interstate travel is subject to the security and health protocols as determined by MKN, PDRM and Health Ministry.
RESEARCH & DEVELOPMENT	 Applies to both commercial and in-house laboratories Companies are only allowed to undertake R&D activities within the approved sectors.

CONSTRUCTION AND BUILDING MATERIALS

- Company undertaking several construction projects or construction related services need to apply individually for each project.
- Subcontractors are required to submit their application after the main contractors have received their approval.
- Construction related services refer to those service suppliers within the supply chain of a specific construction project and are required to apply and obtain individual approvals to operate.

RUBBER PRODUCTS AND RUBBER GLOVES

- If the suppliers to the rubber glove manufacturers wish to increase their capacity beyond 50%, they are required to apply via CIMS 2.0.
- Suppliers of raw materials and spare parts, or indirectly supplying raw materials or components for those listed in the additional sectors are required to apply via CIMS 2.0.

INDUSTRIAL GASES

• Third party transporters (third-party logistics) to deliver industrial gases to essential goods factories need to obtain approval and apply via CIMS 2.0

AUTOMOTIVE AND TYRE

- The after-sales service is limited to local services.
- Spare part centres can only conduct distribution of spare parts to service centres upon approval from MITI. All other scope of after-sales services are strictly prohibited.
- Companies may export the assembled units before MCO and may operate to assemble new vehicles which are meant for exports upon the approval from MITI.
- Dealers that have registered the cars but because of MCO were unable to deliver them are allowed to deliver those registered cars subject to approval by MITI.
- Aftersales service includes tyre shops for repair and maintenance / workshop.
- Tyre manufacturers can deliver their products to their aftersales service providers.
- Tyre producers can supply tyres to the vehicle manufacturers but only for exports of vehicles.

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The war on Covid-19 is not over yet and the fight is still on. Malaysians are urged to uplift their spirit and continue to fight.

We wish to remind everyone to:

- Stay Calm
- Stay Safe
- Stay Healthy
- Stay Home



NAQIZ & PARTNERS

Suite 9B.02, Level 10, Wisma E&C, Lorong Dungun Kiri, 50490 Damansara Heights, Kuala Lumpur

Tel: +603 2095 1188 www.naqiz.com