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Unity is strength

Datuk Dr Jason Goh

I WOULD begin my article with an analogy. Take the matchstick test for example. Compare the strength of a bundle of matchsticks and a matchstick and see the difference in strength - here is shown that unity is strength. The reason I bring up this issue on unity is because being a trade association, the Association of Forwarding Agents Port Klang (AFAPK) believes in speaking as one voice for the industry.

Eight years ago, the association had only 100 members compared with the more than 300 operating in this port town. This is a situation where there are more non-members than members in the association. This is clearly unhealthy for the industry because we forwarders need to work under one umbrella body to champion our cause. But things have improved very much now thanks to the hard work of all our members.

Today we are proud of having 252 members in our association with more forwarders joining AFAPK every month. This is certainly a healthy sign for the industry and the association, as more forwarders are beginning to see the benefits of being under one umbrella when dealing with the authorities, ports, terminal operators and others in the logistics chain.

Our port and shipping industry has certainly improved over the past few years. Take a minute to reflect the situation at Port Klang five years ago and compare the situation today. Things have really improved but there is still room for improvement. I must be the first to admit that the Customs Department has improved the most in terms of operating system and policies. I have made a list of things which has improved of the past few years.

- \* Customs operating 24 hours.
- \* Simplified and shorter Customs procedures.
- \* Customs pre-clearance of cargo.
- \* Additional haulage licences to 15 companies.
- \* Terminal operators more accommodating to users' needs.
- \* Easier access to the Minister of Transport and the Port Klang Authority resulting in better and faster solutions to problems and issues and very pro-active to industry players.

AFAPK believes that there should always be a forum for discussion among the logistics chain players which include the Customs, terminal operators, Federation of Malaysian Manufacturers, hauliers, shipping agents, the International Shipowners' Association of Malaysia, with the guidance from the Port Klang Authority and the relevant ministries.

Things can get done and improved when there are better communications among all parties concerned. One fine example which I would like to point out is that the Customs Department has now agreed to give immediate clearance of cargo for importers bringing in the same type of cargo/commodities with every shipment without the need for physical inspections.

This is a result of the constant dialogues among the logistics chain players and that the authorities are willing to listen for the benefits of the country's trade. That brings us a step nearer to Singapore when it comes to trade facilitation where cargo can be cleared from the port within hours of arrival.

Another favourite issue among the freight forwarders, shippers and shipping agents is the state of the our container haulage service. Five years ago, you can hear shippers and forwarders shouting for their

containers to be delivered during the festive seasons.

With the hue and cry over the years from the various trade associations, haulage users and individuals, including AFAPK which has been very vocal on this matter, our pleas to liberalise the haulage industry has finally sunk in with the authorities.

Our association is indeed indebted and supportive of the Entrepreneur Development Minister Datuk Seri Nazri Aziz's decision in approving 15 additional laden container haulage licences to complement the five existing players - Kontena Nasional Bhd, Diperdana, MISC Haulage, Konsortium Logistik Bhd and Multimodal Freight.

It is AFAPK's dream that by the end of this year or during any festive season, when the new haulage players are in the market, we (haulage users) will not experience any cargo deliveries backlog at the port again. Port Klang cannot afford to suffer backlogs in cargo clearance if it wants to be among the top 10 container ports in the world. AFAPK believes that everyone in the logistic chain must work together with guidance from the very experienced Minister of Transport Datuk Seri Dr Ling Liong Sik to fulfil this big dream of ours.

On the association's part, I have a big plan for it - to make the members more professional in their dealings. However, I would like to caution the other players in the logistics chain - including shippers, that very soon AFAPK members will not be made responsible for liabilities such as paying advance Customs duties well as advance haulage fees for them.

There must be a limit to everything. Honestly speaking, we forwarders are only charging shippers about RM100 as forwarders' fees. And in return, we forwarders have all this while been pampering the shippers by making advance payment on their behalf for duties, storage and demurrage, which should not be the case. From my observations, forwarders and shipping agents play a very important role in helping Port Klang as a cargo load centre port. To enhance our professionalism, we frequently send our members to attend courses and seminars on such as the World Trade Organisation's Customs procedures and policies, dangerous goods as well as diploma and certificate courses in freight forwarding.

Education and training in freight forwarding are an essential ingredient in our business. Our staff must be very well verse in their jobs to deal with the Customs and advise the shippers. On another note, AFAPK has also submitted an appeal letter to the Director General of Customs to review Bumiputera equity requirement from 51 per cent to 30 for forwarding companies. This is in line with the Bumiputera equity requirement for shipping agencies licensing. We hope the authorities will view our appeal positively.

During the first quarter of this year, the association is seeing some improvement in the import business and we forwarders can now breathe much easier than two years ago. We hope with the guidance and good leadership of our beloved Prime Minister Datuk Seri Dr Mahathir Mohamad the country will be able to sustain its economic recovery and improve from strength-to-strength in the coming months.

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