



## **MEDIA RELEASE**

### **THE NATIONAL eCOMMERCE FORUM AND THE NATIONAL eCOMMERCE COUNCIL (NeCC) MEETING NO. 2/2017, 26 JULY 2017**

The National eCommerce Forum organised today by MITI, marks another important milestone in the Government's efforts towards driving the national digital economy agenda. The theme of "Embracing Digital Transformation" projects the Government's efforts to reach out to the eCommerce players along the value chain, particularly SMEs, on the importance of embracing digitalisation for their businesses to sustain themselves amid the challenging economic environment.

The Forum was organised jointly by the members of the National eCommerce Council (NeCC) which includes 25 Ministries and Agencies. Since its inception in December 2015, the NeCC has initiated various activities and events to spearhead the development of the eCommerce sector in Malaysia with the aim of doubling eCommerce growth from 11% to 20% by 2020.

Some of the main events organised by NeCC thus far included:

National eCommerce Day held last year on 10 June 2016;  
Workshop on Action Plans to implement the National eCommerce Strategic Roadmap (NeSR), 16-17 January 2017; and  
Briefing by leading eCommerce players on their success stories, 15 March 2017.

With the recent launch of the Digital Free Trade Zone (DFTZ) by YAB Prime Minister together with Jack Ma on 22 March 2017, there has been growing interest among local and international eCommerce players including SMEs on the potential opportunities and challenges to be faced once DFTZ starts to be implemented beginning October 2017. In this regard, the National eCommerce Forum is more than timely to update the industry and educate the public on the extensive work undertaken by the NeCC thus far to drive the national eCommerce agenda including readiness programmes for local SMEs to go onboard.

Key events held throughout the Forum included:

Launch of the 'Go eCommerce' online platform, a dedicated one-stop business resource online centre to guide SMEs in eCommerce adoption. To date, more



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than 1,000 interested SMEs have already pre-registered with the programme. Apart from providing the SMEs profile of their readiness, the platform also equips them with the necessary knowledge and skills to transform their current businesses to potential eCommerce exports. The platform currently houses over 70 online courses and is expected to grow to at least 200 courses by end of 2017. To know more about the platform, please visit and register at [www.GoeCommerce.my](http://www.GoeCommerce.my); and

Presentation of the eTRADE Accelerator Award, newly initiated by MATRADE in collaboration with MDEC to recognise the top three successful local SMEs under the eTRADE programme who have generated the highest export sales during the four (4) month campaign period from September 2016 up to December 2016.

The Forum also featured presentations and panel discussions by prominent eCommerce players such as JinBaomen, ASIAN-Oceanian Computing Industry Organisation (ASOCIO), LAZADA Express and POS Malaysia on how local SMEs can venture into cross-border eCommerce specifically into China and the ASEAN market. Participants were also exposed with services provided by the eCommerce players along the value chain, based on areas of specialisation such as eFulfilment.

According to the International Trade and Industry Minister, YB Dato' Sri Mustapa Mohamed who is also the Chair of the NeCC, the Forum highlights the Government's efforts to promote digital transformation. "eCommerce is growing rapidly in Malaysia as more people are getting connected to the internet and it has become extremely important in Malaysia's digital economy agenda. SME development will remain as the key focus area under the Government's digital transformation agenda. The DFTZ initiative will focus on providing state-of-the-art platform for SMEs and enterprises to conduct their businesses and services. This will hopefully help to allay any concerns or scepticism that the DFTZ will only benefit foreign players and encourage more imported products coming in. Instead, the DFTZ will actually focus on helping our SMEs to penetrate the export market and improve our cross-border efficiency", he said.

According to the Economic Census 2016, published by DOSM, 98.5% of business establishment in Malaysia are SMEs which cut across all sizes and sectors. Based on the latest Quarterly Survey by SME Corp Malaysia in Q1 2017 (with total respondents of 2,236), about 27.2% of local SMEs are already selling their products online, out of which 15.6% are for the export market.



The Forum was attended by more than 1,000 participants with 50 exhibitors from various eCommerce segments, including eMarketplaces (such as Lazada and AgroBazaar Online); payment solutions (such as MOLPAY and IPay88); logistic providers (such as Pos Malaysia, GDEX and SkyNet); solution providers (such as Webshaper and Sitegiant); Chambers of Commerce and associations; and online sellers including SMEs.

YB Dato' Sri Mustapa later chaired the second NeCC meeting this year, to monitor the progress of implementation of the National eCommerce Strategic Roadmap (NeSR) towards enhancing the development and competitiveness of the eCommerce ecosystem. Among key achievements of the NeCC to date include:

Providing cross-border eCommerce awareness and training in collaboration with eCommerce players to 5,191 companies, of which 1,637 companies have gone on to list their products and services globally through international eMarketplaces registered with MATRADE's eTRADE Programme;

Since March 2017, MITI, SME Corp. Malaysia and Google have conducted a series of training and education programme throughout the country (Kuala Lumpur and Ipoh) called 'MyGoGlobal' to help local SMEs enhance their revenue growth by going digital. For the rest of the year the programme will also be extended to be held in Pahang, Kelantan Sabah and Sarawak. To date the programme has trained 988 SMEs. Google has further launched a new feature for Malaysia called "Google My Business Website" which allows any SME to create a free, effective, mobile-optimised website from a smartphone in less than 10 minutes;

Since 2016, three (3) regional eFulfilment hubs have been established in Malaysia namely by Pos Malaysia, SnT Global Logistics Sdn Bhd and most recently, YCH Logistics Sdn. Bhd. collaborating with ZALORA to set-up ZALORA's Regional Distribution Hub in Shah Alam. MIDA is currently working with 10 targeted companies to set up their eFulfilment facilities including Lazada who is supporting Alibaba's fulfilment activities in this region;

Streamlining process and documentation for air cargo clearance at KLIA for Business-to-Consumer (B2C) online transactions. MITI and MDEC are currently working on improving import and export process in terms of cargo clearance time (from 6 to 3 hours) and cargo terminal operations (from 4 hours to 90 minutes); and



Continuous awareness and education programmes by the Ministry of Domestic Trade, Cooperatives and Consumerism (KPDNKK) on consumer protection.

Dato' Sri Mustapa also attended the second pitching session organised by MITI and MDEC for local eCommerce start-ups and scale-ups to pitch their business ideas directly for the purpose of securing capital funding from GLCs, GLICs, MKDs and VCs. This session is a follow-up to the inaugural kick-off pitching session held earlier on 22 June 2017. For this round, five (5) eCommerce companies planning to scale-up and two other start-ups presented their business plans to a panel of prospective investors comprising of GLCs, GLICs, and VCs. The session included an interactive panel discussion among VCs on "The Importance of Ready Capital to Catalyse Startups and Scale Ups Ecosystems in Malaysia" which highlighted the critical factors for GLCs, GLICs and Corporations to collaborate with VCs to catalyse the Malaysian ecosystem.

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## **Ministry of International Trade and Industry 26 July 2017**

### **About MITI:**

The Ministry of Commerce and Industry was established in April 1956 then was renamed as The Ministry of Trade and Industry in February 1972. On 27 October 1990, the Ministry was separated into two Ministries which are; Ministry of International Trade and Industry (MITI) and Ministry of Domestic Trade and Consumer Affairs (KPDN).

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation by 2020 .

### **Media enquiries**

**Ministry of International Trade & Industry  
Strategic Communications Unit**

Tel +603 6200 0082

Fax +603 6206 4293

E-mail [allpegkomunikasikorporat@miti.gov.my](mailto:allpegkomunikasikorporat@miti.gov.my)