

MEDIA RELEASE

MEDIA BRIEFING IN CONJUNCTION WITH THE NATIONAL eCOMMERCE COUNCIL (NeCC) MEETING NO. 1/2017

- 1. YB Dato' Sri Mustapa Mohamed, the Minister of International Trade and Industry today chaired the first National eCommerce Council (NeCC) meeting this year.
- 2. Since its establishment one year ago in 2016, the Council has worked hard towards enhancing the development and competitiveness of the eCommerce ecosystem. Its achievements to date include:
 - (i) Cross-border eCommerce awareness and training programmes in collaboration with eCommerce players to 3,247 companies and 1,180 companies that have listed their products on the global eMarketplaces under MATRADE's eTRADE Programme;
 - (ii) Assisting more Malaysian SMEs to promote their products and services globally through international eMarketplaces. A total of 450 SMEs have benefitted from the eTRADE incentive in 2016 as opposed to 198 in 2015, showing an increase of 127%.
 - (iii) Establishment of three (3) regional eFulfilment hubs in Malaysia 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;
 - (iv) Introduction of a new system called ezBiz Online (ezbiz.ssm.gov.my) to facilitate registration of businesses including online businesses with the Companies Commission of Malaysia (SSM); and
 - (v) Increased promotion and marketing of eCommerce for SMEs through training, seminar and awareness programmes conducted in collaboration with leading eCommerce players such as Pos Malaysia, Lazada and 11 Street.
- 3. Today's meeting discussed in detail the implementation of the National eCommerce Strategic Roadmap (NeSR) for 2017 and 2018 including the Key Performance Indicators for each of the six thrust areas under NeSR namely:
 - (i) Accelerate seller adoption of eCommerce;
 - (ii) Increase adoption of eProcurement by businesses
 - (iii) Lift non-tariff barriers (e-Fulfillment, cross-border, e-Payment, consumer protection)
 - (iv) Realign existing economic incentives
 - (v) Make strategic investments in select eCommerce players



- (vi) Promote national brand to boost cross-border eCommerce
- 4. These KPIs were formulated during the two-day workshop organised by MITI and the Malaysia Digital Economy Corporation (MDEC) with all eCommerce stakeholders from 16 to 17 January 2017.
- 5. The action items that has been agreed by the Council today include:
 - (i) Establishment of the 'One Stop Business Portal' (www.eCommmerceAcademy.my) by MDEC and SME Corp as an interactive platform to provide a comprehensive guidance to local SMEs to embark on eCommerce;
 - (ii) Intensifying promotion of selected sectors such as furniture, food and beverages, lifestyle products (apparels, gifts, handicrafts, footwear) and *Halal* for exports through eCommerce;
 - (iii) Establishment of *Pusat Internet 1Malaysia* (PI1M) as eFulfilment centres in rural areas by the Malaysian Communications and Multimedia Commission (MCMC) through collaboration with Pos Malaysia and Telcos. Six pilot sites have commenced operations in Sabah (Kinabatangan, Keningau, and Kota Belud) and Sarawak (Lundu, Miri and Bintulu). MCMC is planning to establish additional 30 rural eFulfilment centres at PI1M by end 2017;
 - (iv) Implementation of 'Address for All' initiative by MCMC and Pos Malaysia to improve the last mile fulfilment reachability. To date, about 30,000 rural premises have benefited from the project nationwide in areas such as Kemaman, Hulu Terengganu, Pulau Pangkor, Pulau Langkawi, Kota Belud and Lundu. MCMC is planning to provide a house number to 200,000 rural premises by end 2020;
 - (v) Promotion of investments in regional eFulfilment hubs;
 - (vi) Streamlining process and documentation for air cargo clearance at KLIA for Business-to-Consumer (B2C) online transactions;
 - (vii) Awareness and education programmes by the Ministry of Domestic Trade, Cooperatives and Consumerism on consumer protection; and
 - (viii) Security Certification by Department of Standards Malaysia of eMarketplaces.
- **6.** The Council also discussed the improvement plan by MCMC for broadband services in Malaysia to help support eCommerce transactions.
- 7. Dato' Sri Mustapa also attended a briefing by leading eCommerce players such as Pos Malaysia, Passion Tree Marketing, Printmax Labels and Printicious, Creativize and EDZ Boutique who shared their recent success stories both in Malaysia and globally.



- 8. The Council also witnessed the MoU exchange between SME Corp and Lazada Malaysia on a collaborative initiative to drive the adoption of e-commerce amongst Malaysian SMEs. Hans-Peter Ressel, CEO of Lazada Malaysia commented, "We will be celebrating our 5th anniversary on 22nd of March and we are thrilled to embark on this journey with SME Corp. We look forward to empowering Malaysian SMEs with access to Lazada University and customised training materials to spur the growth of their online businesses."
- 9. Dato' Sri Mustapa also launched the Joint Training and Education Programme for SMEs, a strategic partnership initiative between MITI, SME Corp. Malaysia and Google to help local SMEs enhance their revenue growth by going digital. A series of training and education programme will be conducted by Google throughout 2017 in Klang Valley, Northern Region, Johor and East Malaysia where participating SMEs will be provided with financial assistance to enhance their eCommerce utilisation.
- 10. Called the Go Global Malaysia (#MYGoGlobal) initiative, the public-private partnership is led by industry partners Google, Alliance Bank, Mastercard, and Maxis, along with government partners including MITI, SME Corp, MATRADE and MDEC. This programme will empower SMEs in Malaysia to build up their business capabilities, connect with digital ecosystem partners, promote international exports, and grow to be globally competitive companies.

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Ministry of International Trade and Industry 15 March 2017

About MITI:

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.

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