

MALAYSIA SUPPORTS COMMITMENT FROM ALL RCEP COUNTRIES FOR THE CONCLUSION AND SIGNING OF RCEP BY THE END OF 2020



Senior Minister and Minister of International Trade and Industry, YB Dato' Seri Mohamed Azmin Ali led the Regional Comprehensive Economic Partnership (RCEP) negotiations for the Malaysian delegation which was done through a virtual conference meeting on 23 June 2020. The virtual meeting which has just been concluded was also participated by 14 other RCEP Participating countries (RPC) comprising all ASEAN Member States, Australia, China, Japan, Korea and New Zealand.

Ministers deliberated on the progress of the RCEP negotiations and provided guidance towards the conclusion and signing of the RCEP Agreement by November this year. Amongst the major outstanding issues that were deliberated were market access and India's continued participation in RCEP.

Malaysia supports the commitment by all RPCs to sign the RCEP Agreement by this year as it would enhance regional economic integration, promote the flow of investments and minimise disruption to the global supply chains. The signing would demonstrate to the world ASEAN and FTA partners' collective endeavour to realising these objectives. Once RCEP is concluded and signed, it will be the largest FTA in the world covering nearly half of the world's population while contributing one third of the world's GDP.

YB Dato' Seri Mohamed Azmin highlighted the conclusion of RCEP negotiations is timely taking into account the impact of the COVID-19 pandemic particularly the unintended economic consequences of policy measures to counter the outbreak across the RCEP region. Hence, the imperative for the RCEP Participating countries of different levels of economic development to come together pledging to keep market and global supply chains open instead of maintaining protectionist measures that would only further hinder global trade as well as economic recovery from this pandemic. The Senior Minister also highlighted the importance of diversification and the need to forge greater resilience among RPCs so as to present an integrated market.

On India's continued participation in RCEP, YB Dato' Seri Mohamed Azmin Ali stated that Malaysia stands ready to actively pursue a course of positive engagement together with other RPCs. The participation of India would contribute to the advancement of prosperity for the region. Notwithstanding the continued engagement with India, Malaysia agreed with other RPCs that progress towards the signing of the RCEP Agreement should not be derailed regardless of India's subsequent decision.

Once negotiations are concluded, Malaysia will undertake the necessary domestic administrative processes for preparation of the signing of RCEP Agreement in November 2020.

MINISTRY OF INTERNATIONAL TRADE & INDUSTRY (MITI)
23 JUNE 2020

KEY STATISTICS OF LABOUR FORCE IN MALAYSIA APRIL 2020

Unemployed persons increased by 48.8% to 778.8 thousand persons with unemployment rate spiked to 5% in April 2020



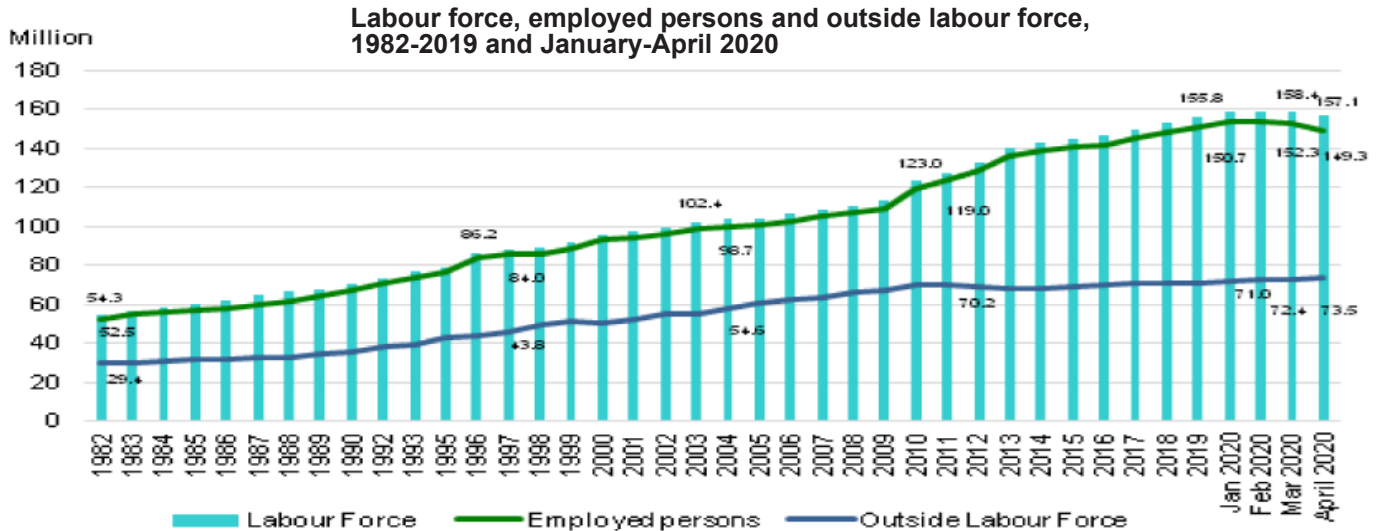
Labour Force
▲ **0.6%**
15.7 million persons



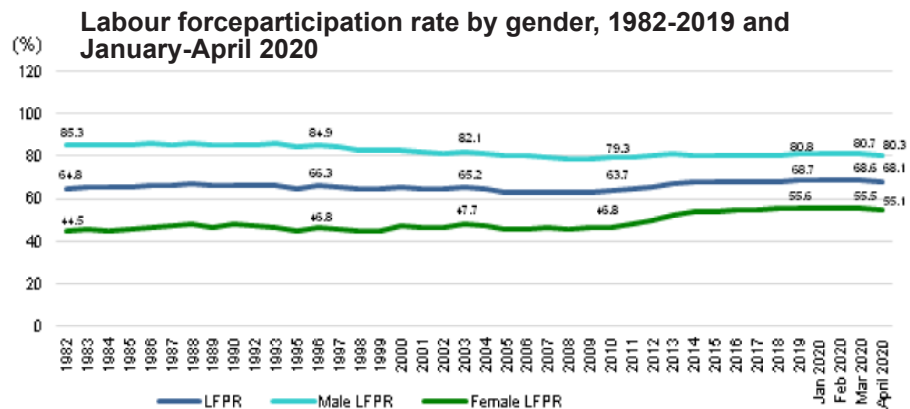
Employed
▼ **1.0%**
14.9 million persons



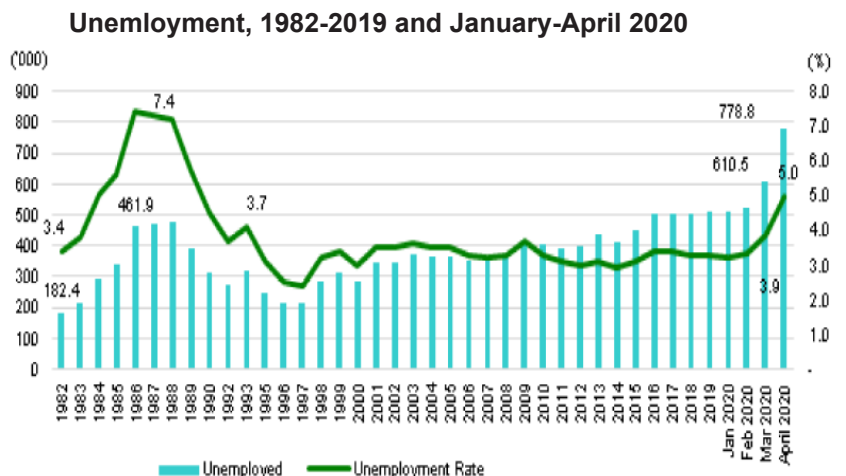
Outside Labour Force
▲ **2.2%**
7.4 million persons



Labour Force Participation Rate
▼ **0.5%**
68.1%



Unemployment Rate
▲ **5.0%**
778.8 thousand persons



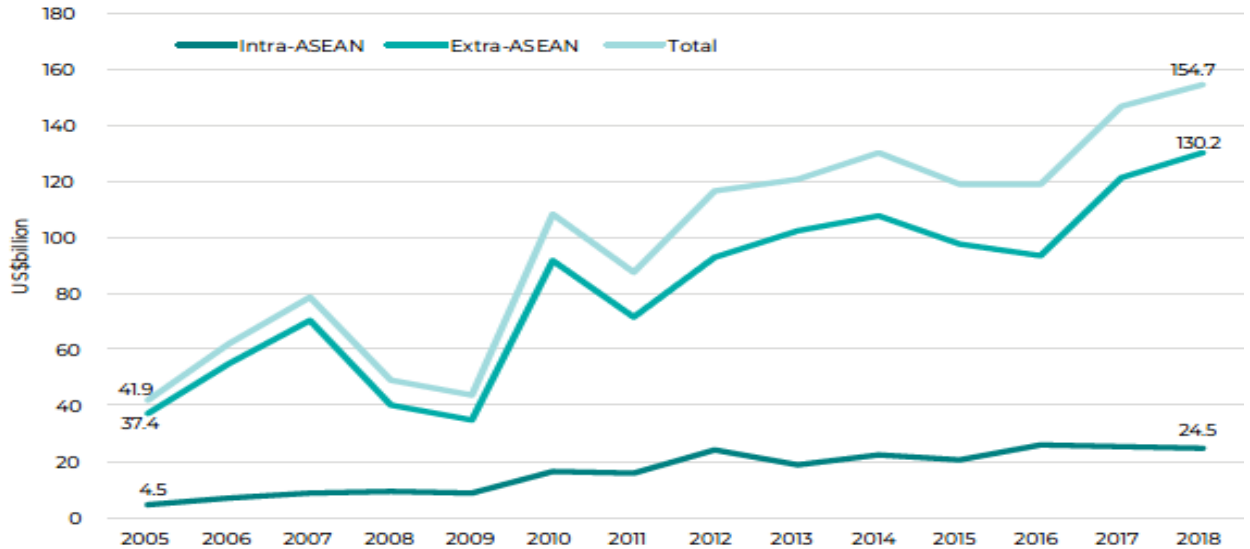
Source: Department of Statistics, Malaysia

Malaysia Statistics

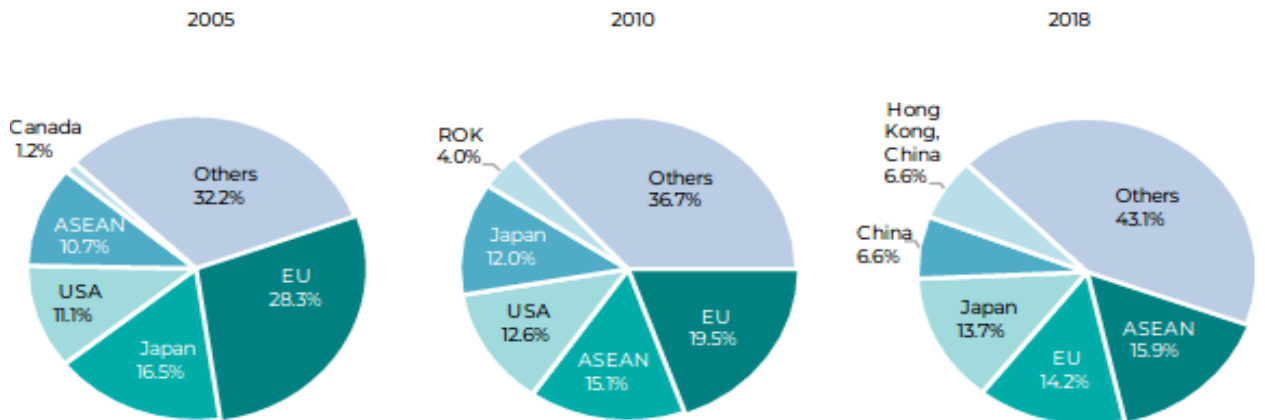


FOREIGN DIRECT INVESTMENT

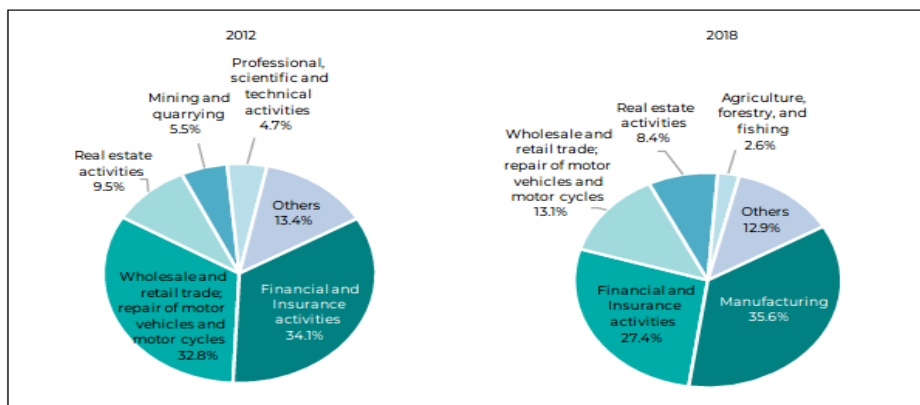
Inward flows of foreign direct investment (US\$billion), intra and extraASEAN, 2005-2018



Shares of ASEAN top 5 FDI sources (% to total), 2005-2018



Shares of inward flows of FDI by activities (% to total), 2012 and 2018



Source: ASEAN Secretariat, ASEANstats database.

WORLD TOP ELECTRONIC DATA PROCESSING & OFFICE EQUIPMENT EXPORTING COUNTRIES

Global Exports 2018: US\$604.8 billion ▼ 1.8%



Note: % refer to Y-o-Y Growth

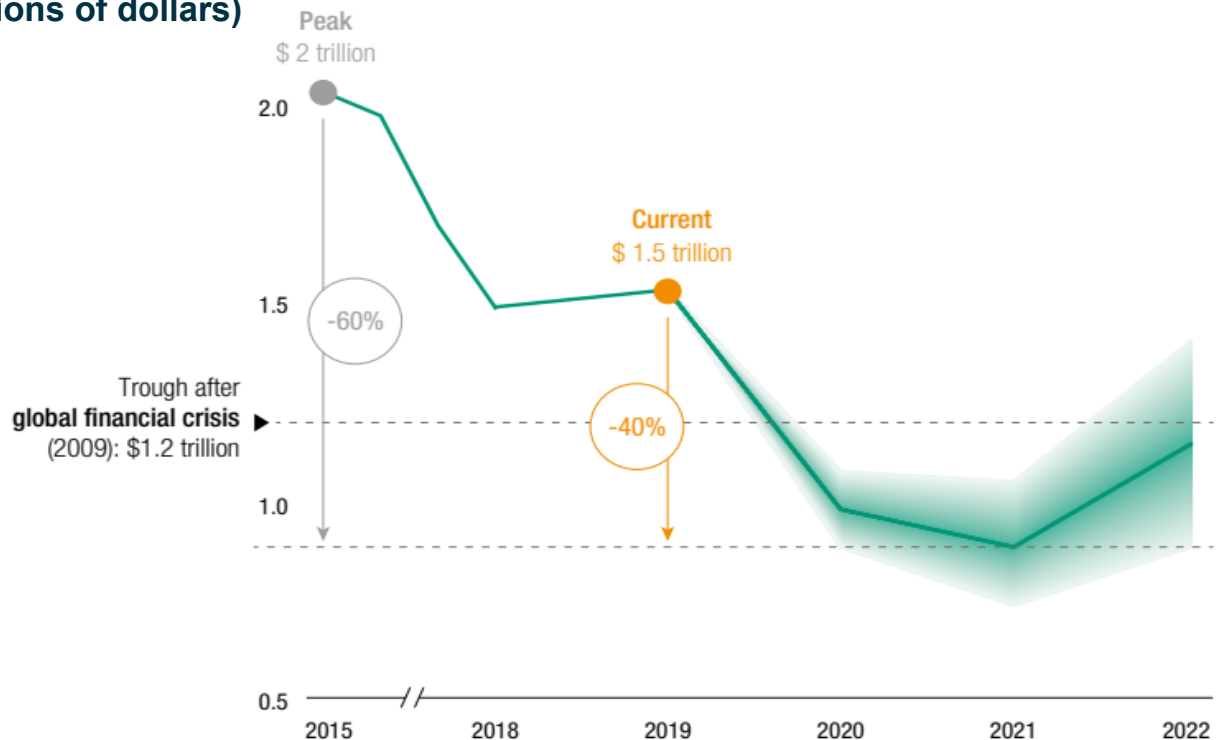
Source: <https://timeseries.wto.org>

Malaysia was the third largest exporter amongst ASEAN members after Thailand and Singapore in 2018

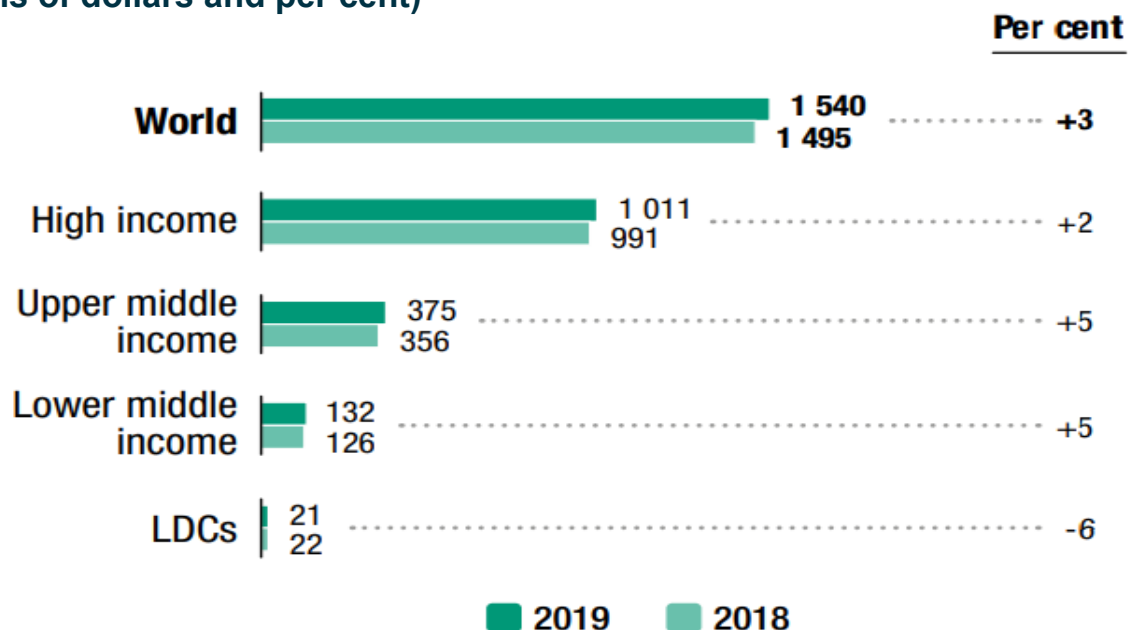
WORLD INVESTMENT REPORT 2020

The COVID-19 crisis will cause a dramatic drop in foreign direct investment (FDI) in 2020 and 2021. The expected level of global FDI flows in 2021 would represent a 60 per cent decline since 2015, from \$2 trillion to less than \$900 billion.

Global FDI inflows, 2015–2019 and 2020–2022 forecast
(Trillions of dollars)



FDI inows, by income group, 2018 and 2019
(Billions of dollars and per cent)



Source: UNCTAD World Investment Report 2020
 Source: UNCTAD World Investment Report 2020
 (<https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2769>)
 (<https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2769>)

International Report

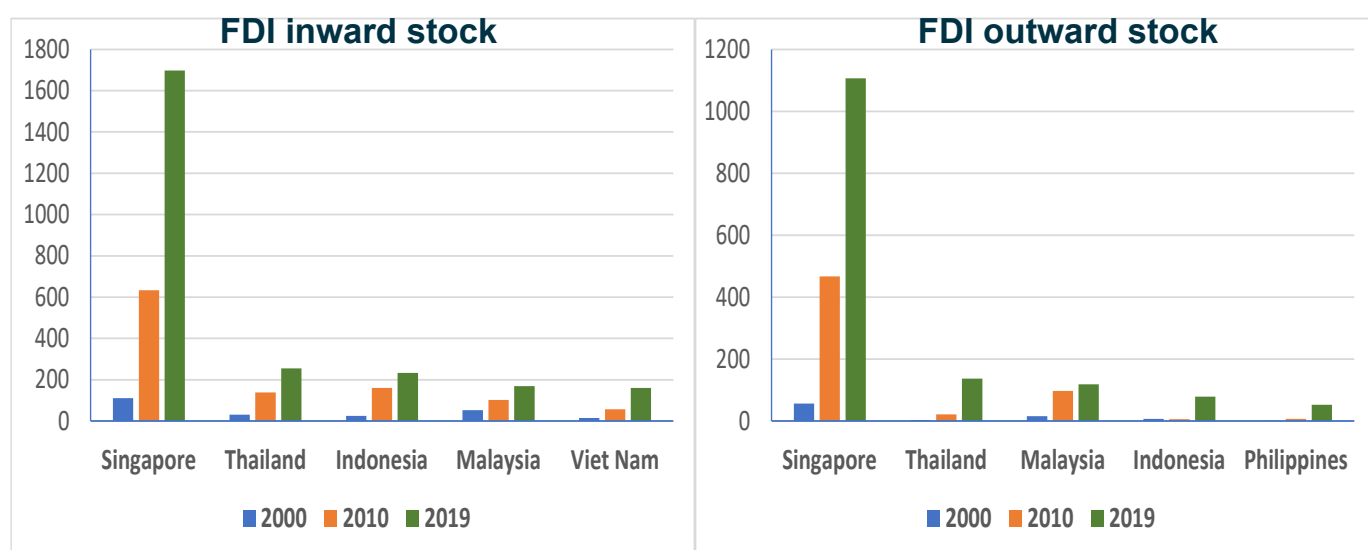
FDI inflows and projections, by group of economies and region, 2017–2019, and forecast 2020 (Billions of dollars and per cent)

Group of economies/region	2017	2018	2019	Projections
				2020
World	1 700	1 495	1 540	920 to 1 080
Developed economies	950	761	800	480 to 600
Europe	570	364	429	240 to 300
North America	304	297	297	190 to 240
Developing economies	701	699	685	380 to 480
Africa	42	51	45	25 to 35
Asia	502	499	474	260 to 330
Latin America and the Caribbean	156	149	164	70 to 100
Transition economies	50	35	55	30 to 40
<i>Memorandum: annual growth rate (per cent)</i>				
World	-14	-12	3	(-40 to -30)
Developed economies	-25	-20	5	(-40 to -25)
Europe	-16	-36	18	(-45 to -30)
North America	-40	-2	0	(-35 to -20)
Developing economies	7	0	-2	(-45 to -30)
Africa	-10	22	-10	(-40 to -25)
Asia	7	-1	-5	(-45 to -30)
Latin America and the Caribbean	14	-5	10	(-55 to -40)
Transition economies	-25	-31	59	(-45 to -30)

Source: UNCTAD, FDI/MNE database (www.unctad.org/fdistatistics).

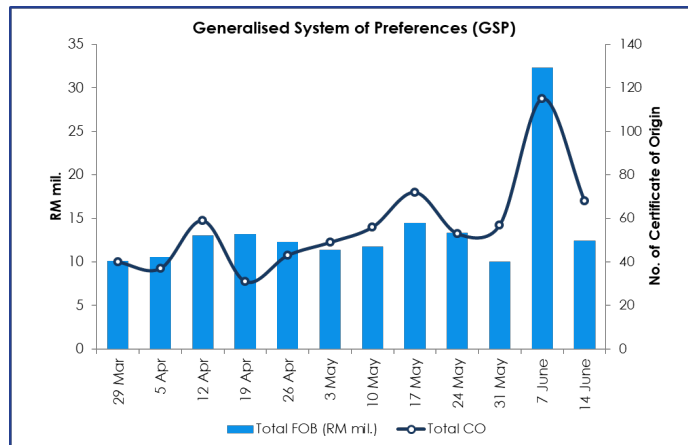
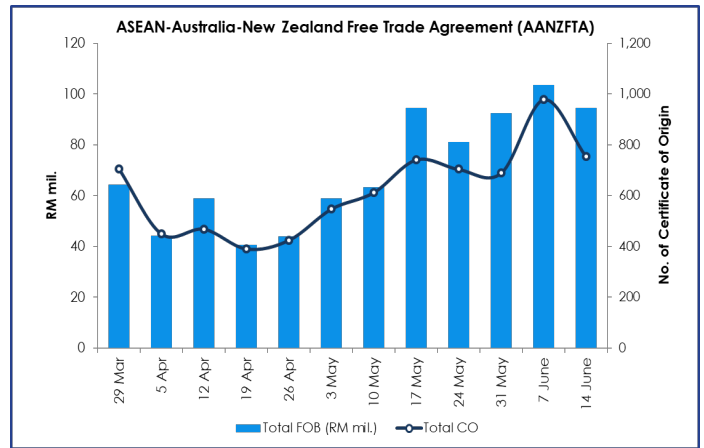
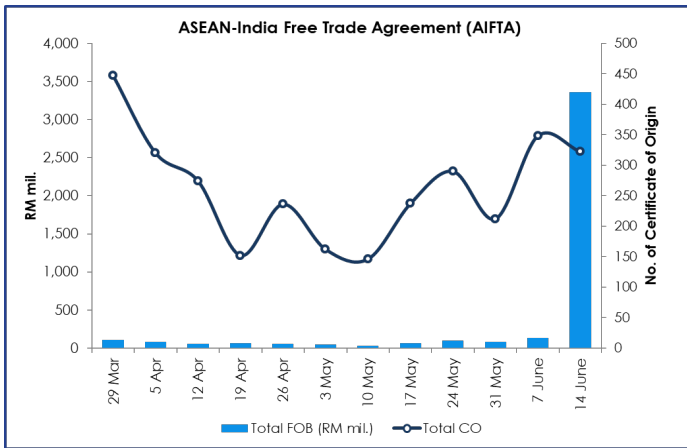
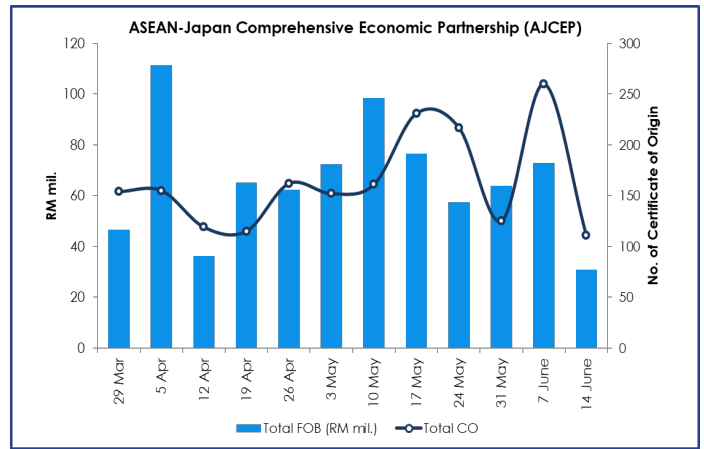
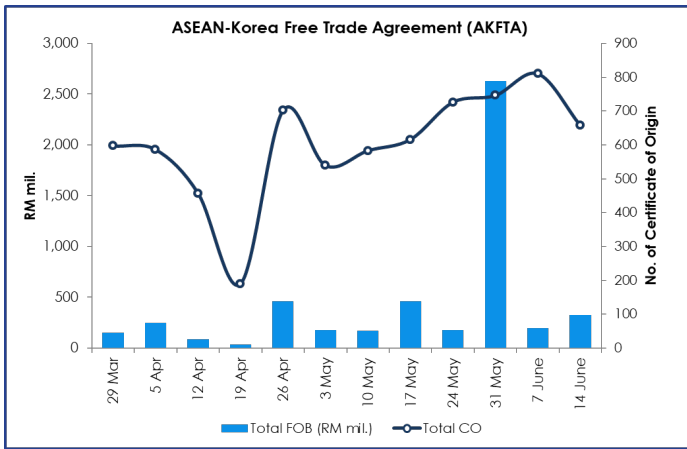
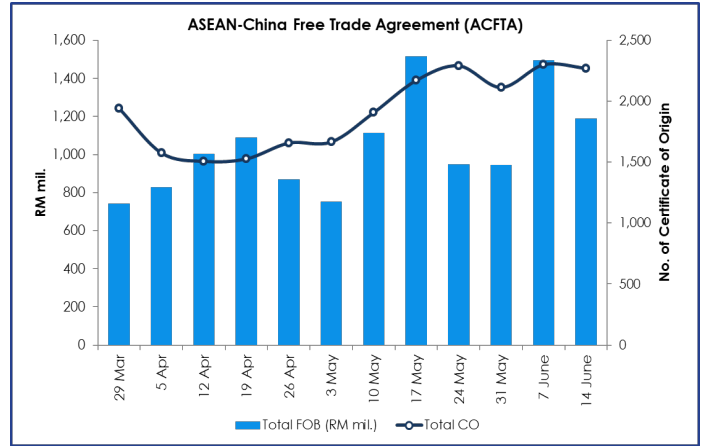
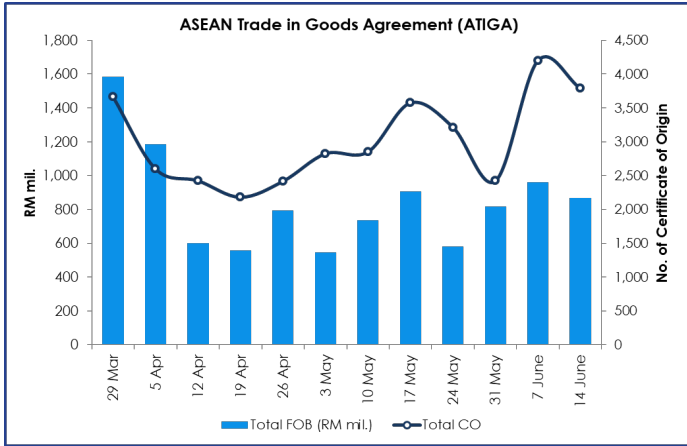
Note: Projections are based on UNCTAD's forecasting model (box I.1) and expert judgement. Numbers are rounded.

ASEAN top five ranking (Billions of dollars)



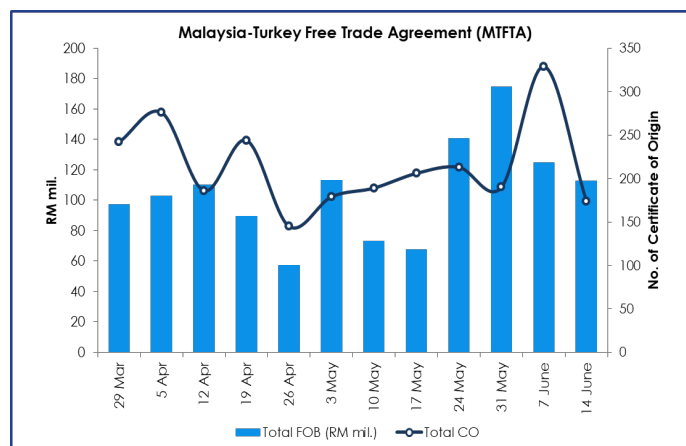
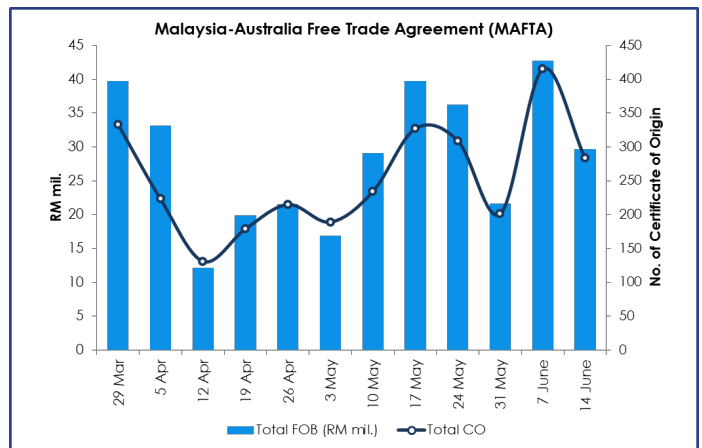
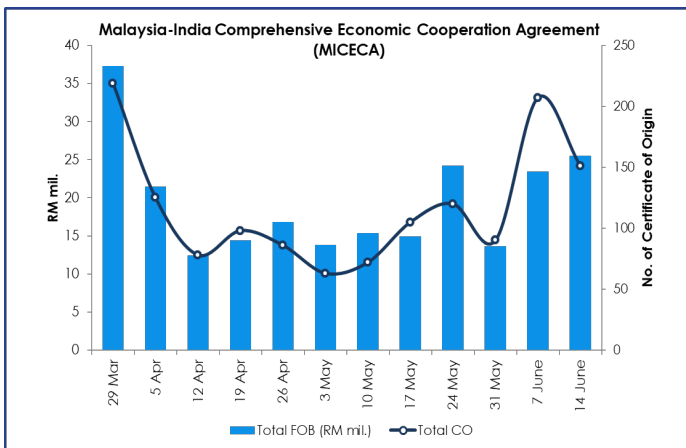
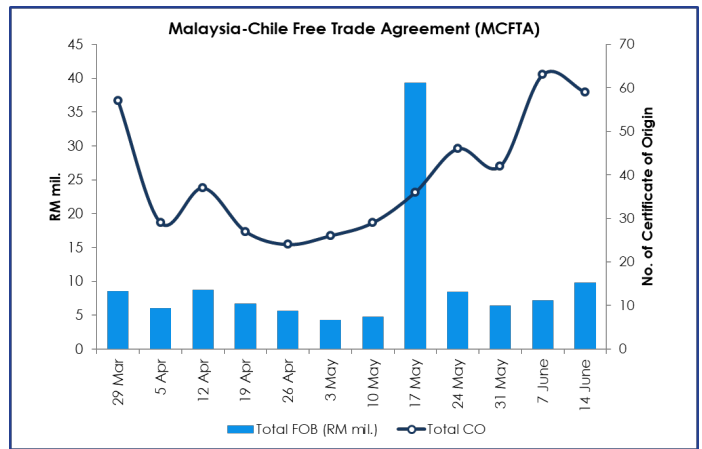
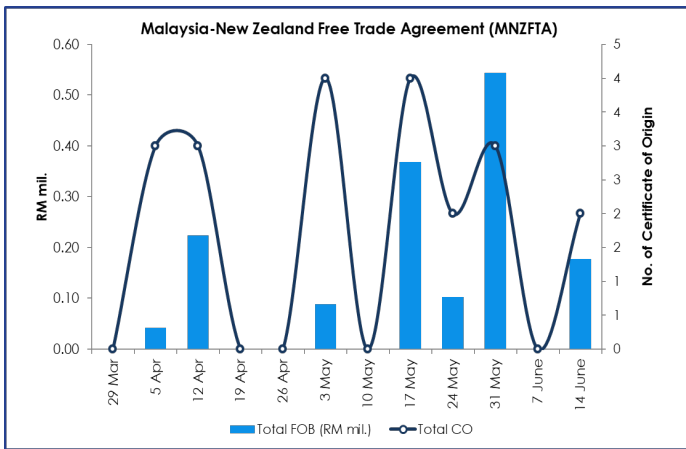
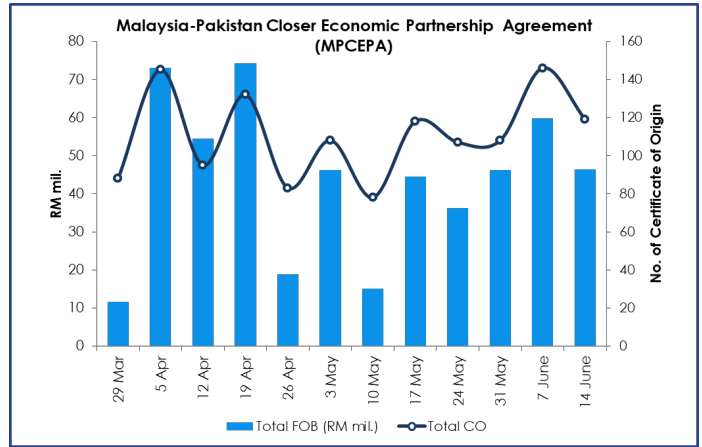
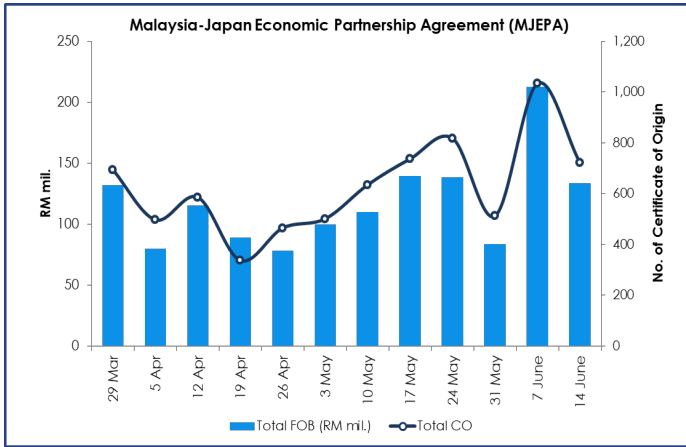
Malaysia's ranked fourth for receiving investment and ranked third for investment abroad among ASEAN members in 2019.

Number and Value of Preferential Certificates of Origin (PCOs)



Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

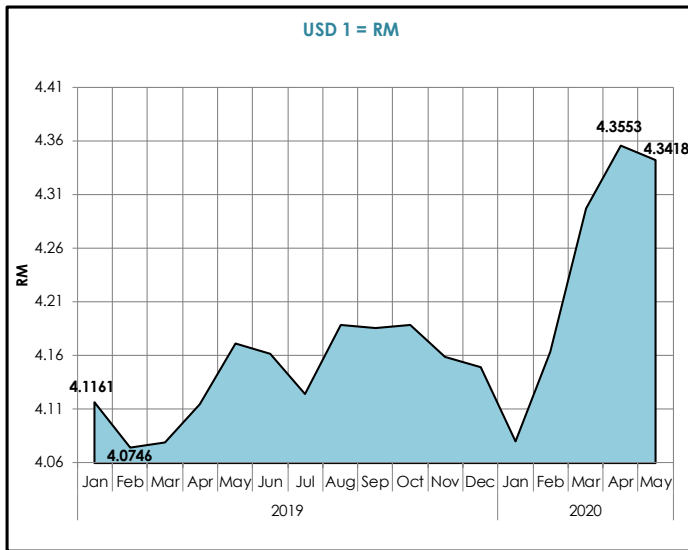
Number and Value of Preferential Certificates of Origin (PCOs)



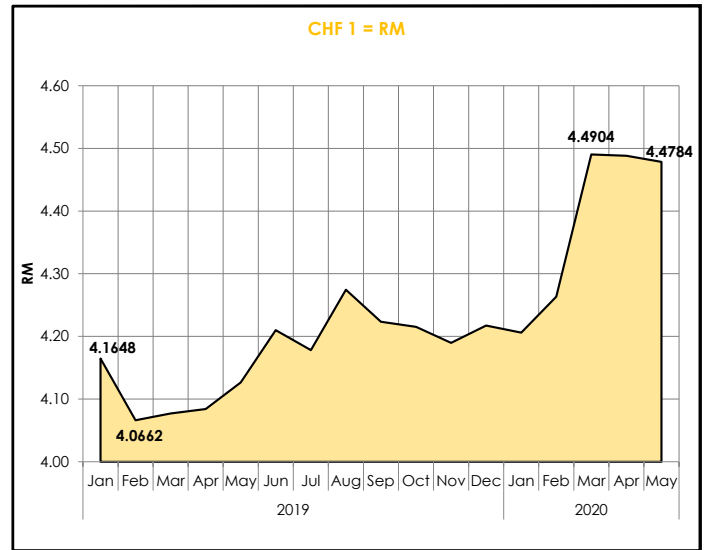
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2019 - May 2020

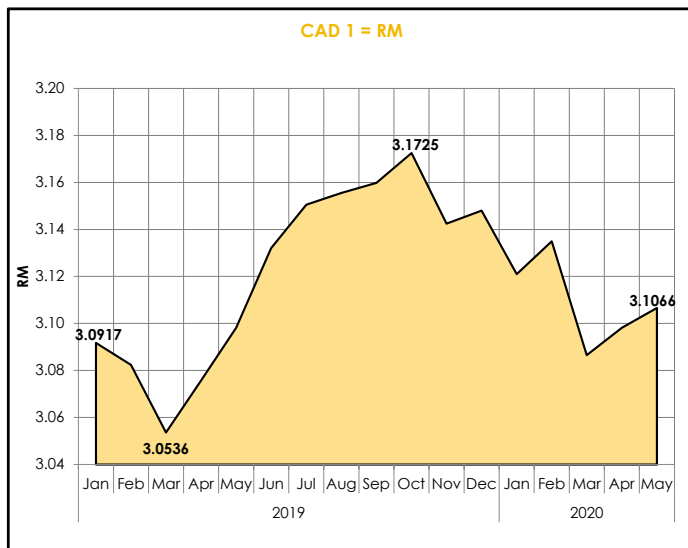
US Dollar



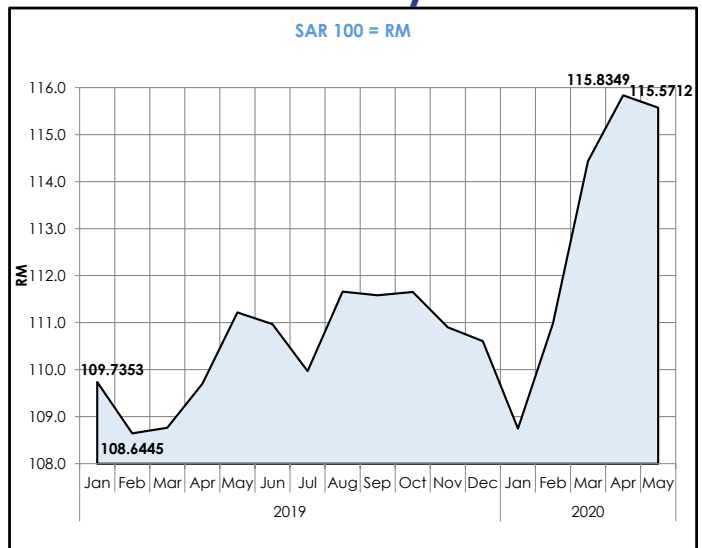
Swiss Franc



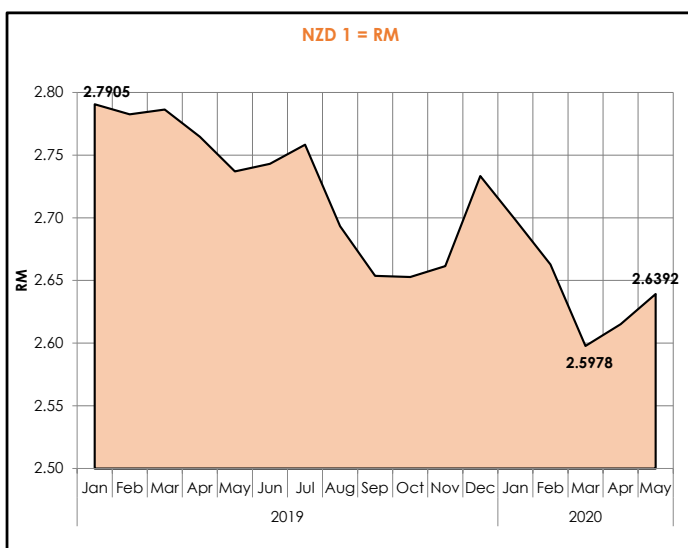
Canadian Dollar



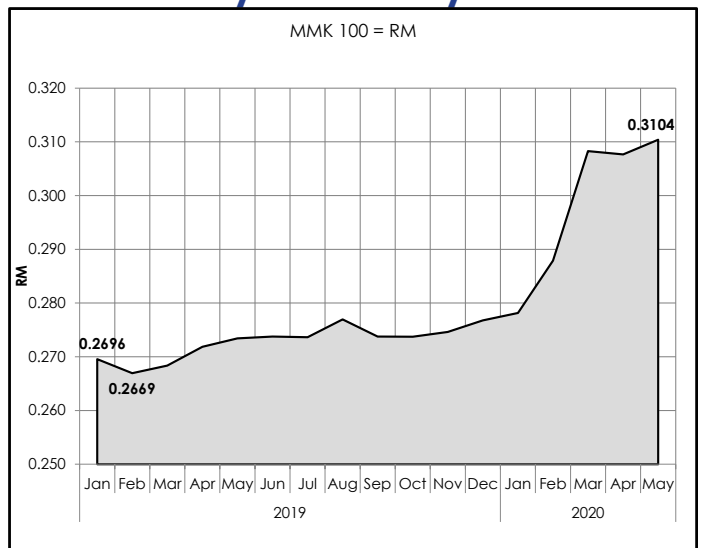
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ 9.6%*
US\$39.8
19 June 2020

Highest
2019/2020

03 Jan 2020 : US\$68.6
17 May 2019 : US\$72.2

24 April 2020 : US\$21.4
09 Aug 2019 : US\$54.5

Lowest
2019/2020

Average Price 2019ⁱ: US\$64.2

CRUDE PALM OIL -per MT-



▲ 3.7%*
US\$580.3
19 June 2020

Highest
2019/2020

10 Jan 2020 : US\$761.9
27 Dec 2019 : US\$794.5

8 May 2020 : US\$472.8
26 Jul 2019 : US\$488.5

Lowest
2019/2020

Average Price 2019ⁱ: US\$557.1

RUBBER SMR 20 -per MT-



▲ 1.6%*
US\$1,160.5
19 June 2020

Average Price 2019ⁱ: US\$1,414.6

COCOA SMC 2 -per MT-



▼ 1.4%*
US\$1,559.9
19 June 2020

Average Price 2019ⁱ: US\$1,592.4

SUGAR -per lbs-



▲ 1.2%*
US¢12.2
19 June 2020

Average Price 2019ⁱ: US¢12.4

COAL -per MT-



▲ 1.1%*
US\$45.0
19 June 2020

Average Price 2019ⁱ: US\$56.5

SCRAP IRON HMS -per MT-

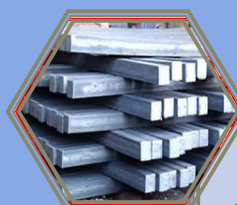


⊖ %* ⊖ %*
US\$270.0 US\$250.0
(high) (low)
19 June 2020

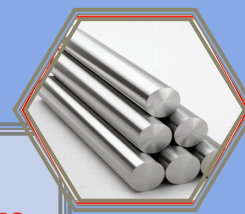
Average Price 2019ⁱ: US\$316.9 (high)
Average Price 2019ⁱ: US\$291.6 (low)

Domestic Prices

12 June 2020



Billets
(per MT)
RM1,700 - RM1,800



Steel Bars
(per MT)
RM2,000 - RM2,150

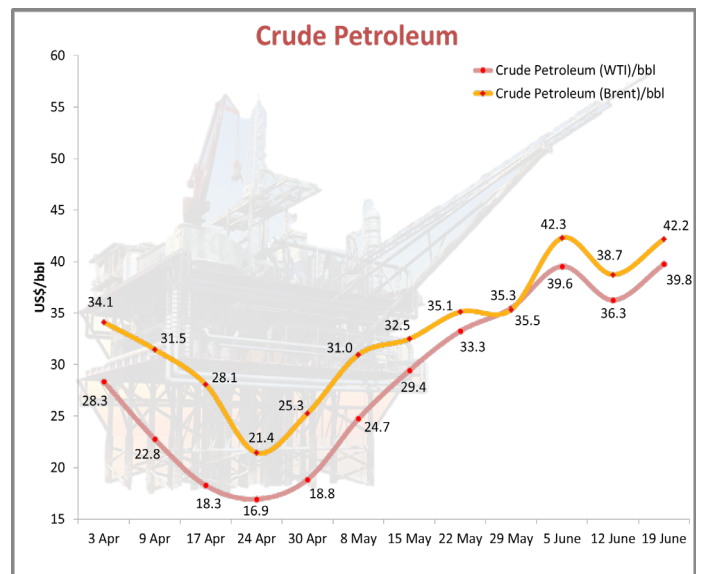
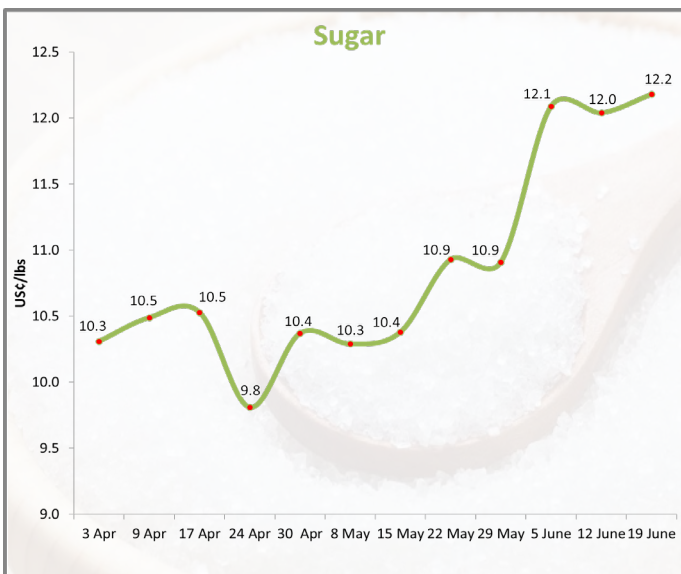
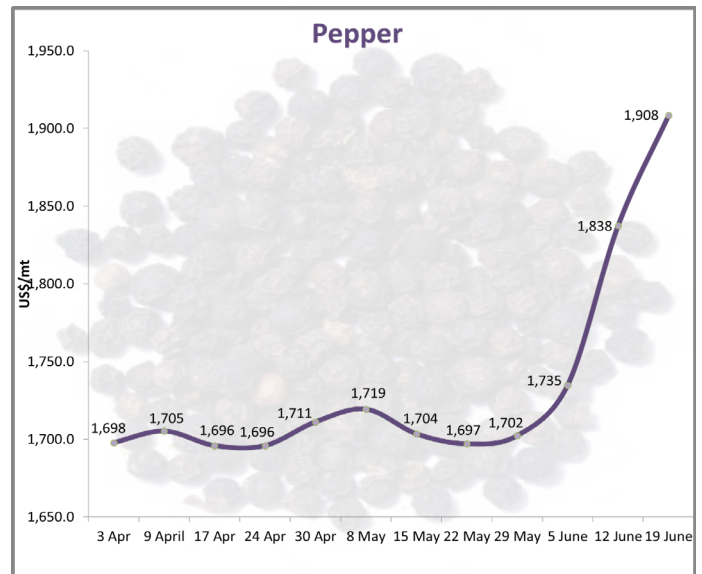
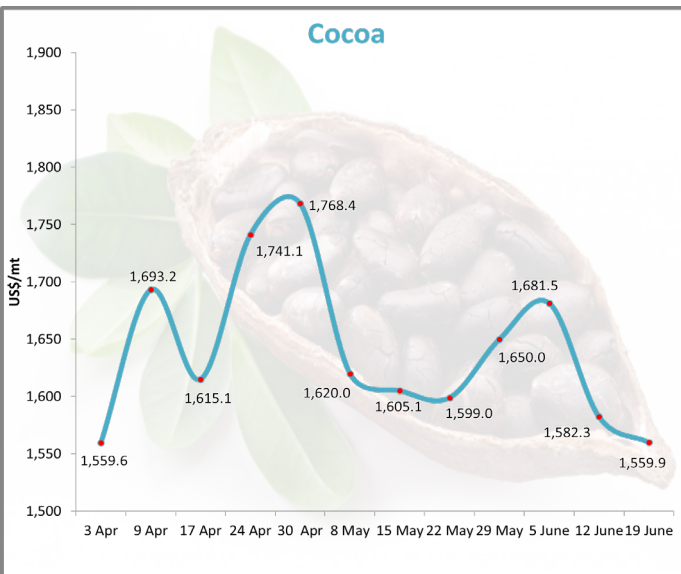
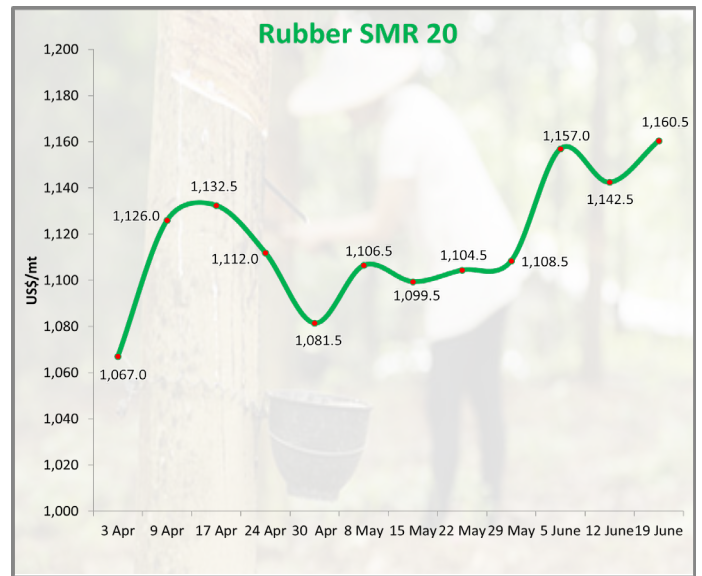
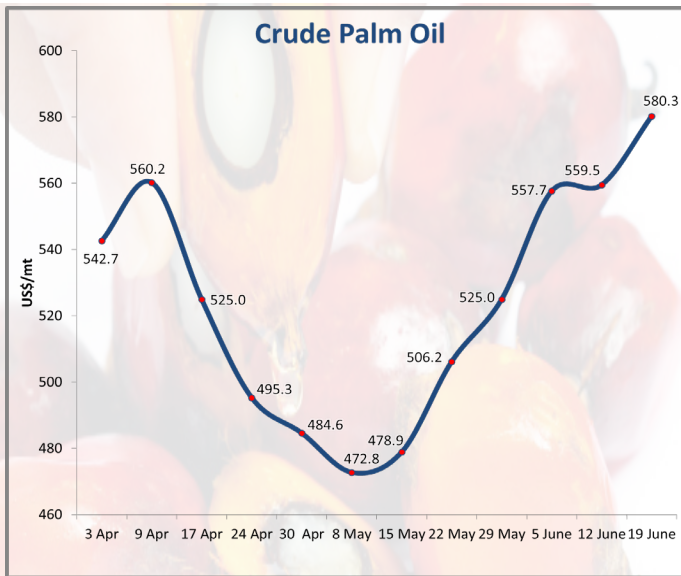
Notes: All figures have been rounded to the nearest decimal point

* Refer to % change from the previous week's price

ⁱ Average price in the year except otherwise indicated

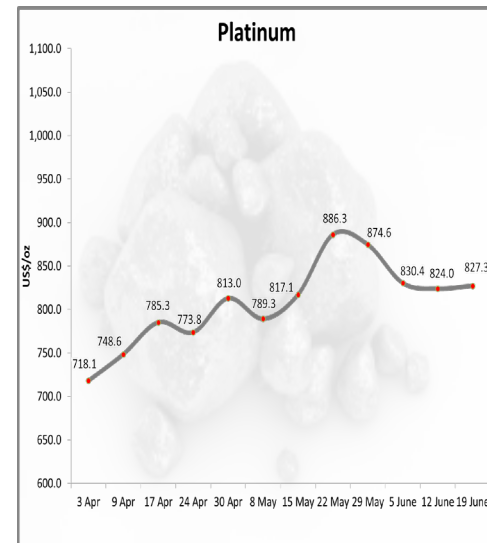
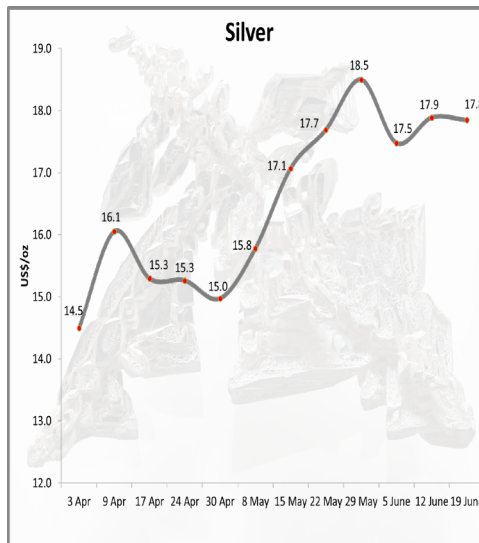
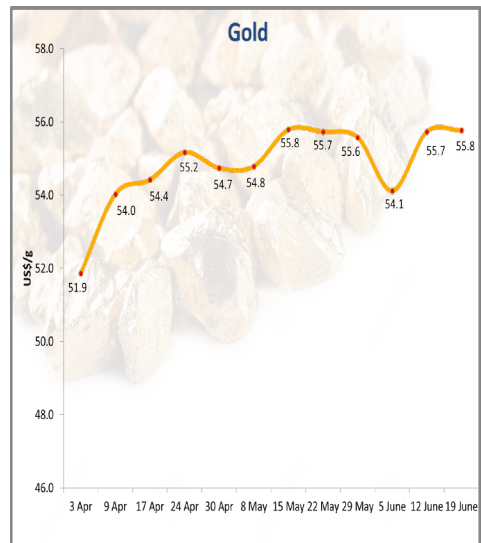
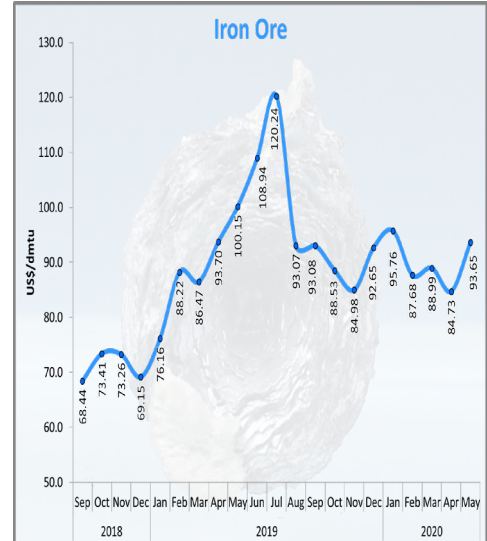
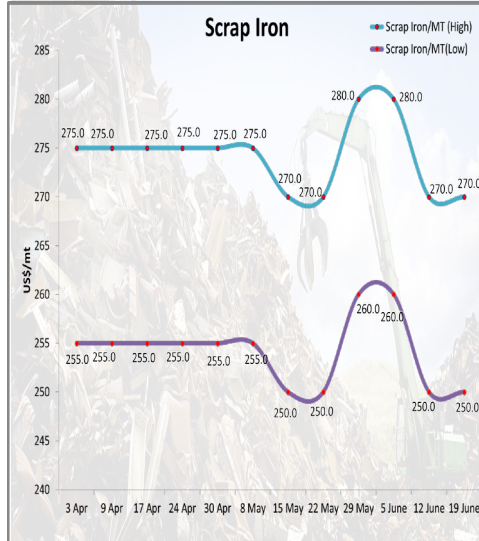
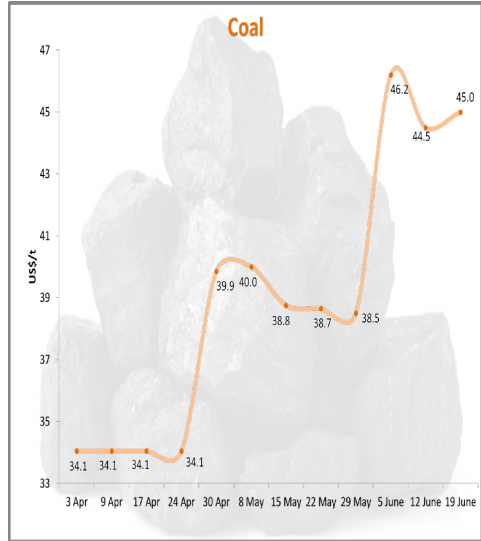
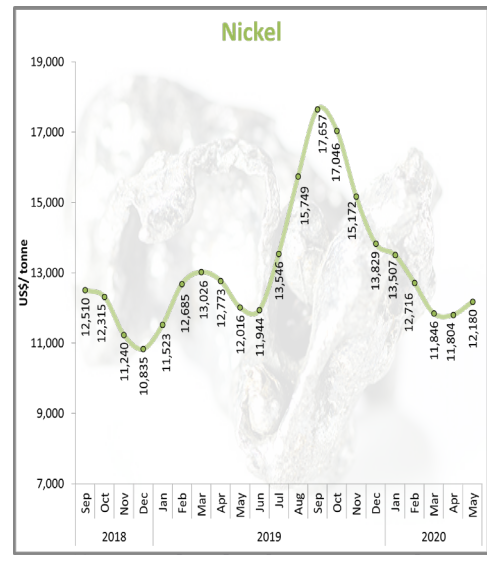
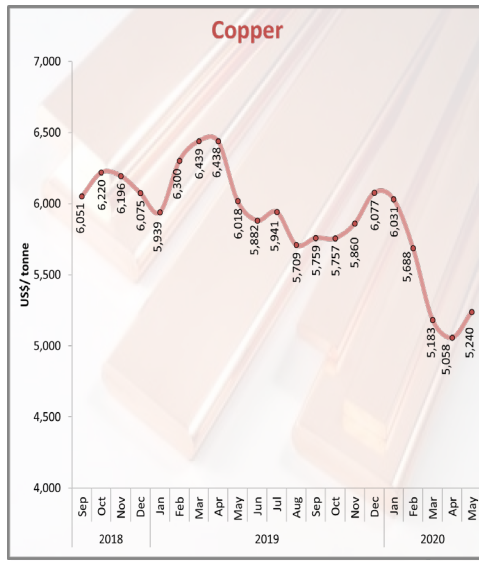
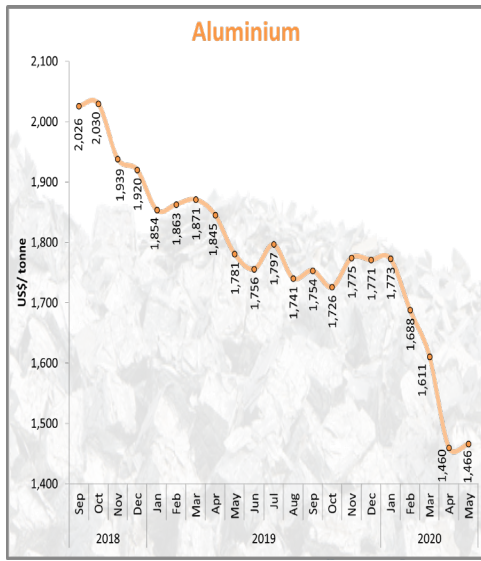
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



INDUSTRY4WRD RELATED INCENTIVES

Having the extra capital allows SMEs to flourish and prosper. Find the suitable fund for your company.

01 | LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.midf.com.my

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.bpmb.com.my

Coming Soon!

1. Intervention Fund*
 - 70:30 matching grant up to RM500,000.
2. Industry4WRD DISF*
 - 60:40 matching grant

*participation in Industry4WRD RA is a prerequisite to apply

Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- www.mida.gov.my

02 | GRANTS

Digital Transformation Acceleration Program (DTAP) Pilot Grant

- 1:1 matching grant
- targets large corporate and mid-tier companies in Malaysia
- assists companies to tap on the expertise of Digital Transformation Labs (DTL)
- www.mdec.my

Automation Capital Allowance (Automation CA)



For Labour Intensive Industries:

- Automation CA of 200% on the first RM4 million expenditure incurred within 5 years

For other industries:

- Automation CA of 200% on the first RM2 million expenditure incurred within 5 years
- www.mida.gov.my

For more information, kindly click the following links:
https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

INDUSTRY4WRD READINESS ASSESSMENT

Get your firm assessed. Be ready for Industry 4.0.

All you need to know about Industry4WRD RA



What is it?

Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

Who is eligible? ✓ Manufacturing and its related services sector



- ✓ Incorporated under the Companies Act (1965/2016)/ Registration of Business Act (1956)
- ✓ Hold a valid license
- ✓ In operation for more than 3 years

What are the benefits?



To identify areas of improvement in terms of people, process and technology.



Receive comprehensive readiness report.



Be entitled to apply for financial incentives.

Process Flow

A FEW SIMPLE STEPS

Incentives for RA

- 500 SMEs will be selected for free assessment.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrd@mpc.gov.my



Readiness Assessment



Apply online at www.miti.gov.my/industry4wrd



Evaluation by Committees



Onsite Assessment



Receive RA Report

Business Intervention



Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/industry4WRD>

All you need to know...

Industry4WRD

OPTIMISING HUMAN POTENTIAL TOWARDS FUTURE OF SHARED PROSPERITY

#MyAPEC2020



Asia-Pacific
Economic Cooperation



APEC 2020
MALAYSIA

For more information, kindly click the following links:
<https://www.myapec2020.my/en/>

ANNOUNCEMENT ON CUSTOMER SERVICE COUNTER AT MENARA MITI AND REGIONAL OFFICES OPERATION HOURS DURING RMCO (10 JUNE - 31 AUGUST 2020)

DEAR VALUED CUSTOMERS,

PLEASE BE INFORMED OUR **CUSTOMER SERVICE COUNTER AT MENARA MITI IN KUALA LUMPUR AND MITI REGIONAL OFFICES WILL RESUME ITS OPERATIONS AS USUAL FROM 8.00AM TO 5.00PM (WORKING DAYS)**. THE DROP AND COLLECT SERVICES REMAIN AVAILABLE.

PLEASE NOTE THAT THE **BUSINESS ADVISORY CENTRE (BAC) AT MENARA MITI IN KUALA LUMPUR WILL BE CLOSED UNTIL FURTHER NOTICE**.

CONTACT US VIA EMAIL:

pco@miti.gov.my

(FOR CONSULTATIONS OR ENQUIRIES ON CA AND PCO)

ap@miti.gov.my

(FOR CONSULTATIONS OR ENQUIRIES ON AP)



ANUGERAH KECEMERLANGAN INDUSTRI (AKI) 2019/2020

The closing date for entries is extended to June 30, 2020

Read More on AKI

Click here

For more information, kindly click the following links:
<https://www.miti.gov.my/index.php/pages/view/aki?mid=535>

IMPLEMENTATION OF ELECTRONIC SIGNATURE AND SEAL THROUGH THE EPCO SYSTEM

EFFECTIVE FROM 13 APRIL 2020

For more information, kindly click the following links:
<https://bit.ly/2RUyG8l>

HOW COMPANY CAN CHECK THE STATUS OF ATIGA E-FORM D TRANSACTIONS IN THE ELECTRONIC PREFERENTIAL CERTIFICATE OF ORIGIN (EPCO) SYSTEM

For more information, kindly click the following links: <https://bit.ly/2ZhxmRp>

MATRADE SUPPORTS EXPORTERS' MARKET ACCESS THROUGH PARTICIPATION IN VIRTUAL TRADE EXHIBITIONS

MATRADE introduced new **Market Development Grant (MDG)** guidelines which will allow Malaysian SMEs to claim certain expenses for participation in **virtual trade events** namely **virtual international trade fairs & virtual trade promotion missions** to promote exports starting from **1 July 2020**.

For more information, please email to
mdg@matrade.gov.my
#TheTimeToExportIsNow



www.matrade.gov.my
 Malaysia External Trade Development Corporation



matradeHQ



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MATRADE



matrade_hq



MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms.

MWB APPs can be downloaded from Gallery of Malaysian Government Mobile APPs (GAMMA) at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>

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<http://www.miti.gov.my/index.php/forms/form/13>