



MINISTRY OF INTERNATIONAL
TRADE AND INDUSTRY

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Christmas & New Year Message



On behalf of the MITI family, I wish to extend to all MWB readers in Malaysia and all over the world a Merry Christmas and a Happy New Year 2016. The same way we celebrate all other religious festivities, Malaysians regardless of faith and background are once again exchanging greetings and celebrating the New Year in the true spirit of harmony.

As we usher into the New Year, let us reflect on our performance in 2015. Despite the global economic uncertainties and challenges, our nation has performed well registering a growth of 4.7% in the third quarter of 2015, supported mainly by private sector demand. Total trade expanded by RM15.4 billion to RM377.5 billion, registering a sizeable trade surplus of RM22.2 billion while foreign direct investments of RM9.8 billion was recorded in the third quarter of 2015. These statistics reaffirm the confidence of investors in Malaysia's economic fundamentals and will further strengthen Malaysia's position as the preferred investment destination in the world.

In 2015, MITI successfully hosted the 47th ASEAN Economic Ministers' (AEM) Meeting. The establishment of the ASEAN Economic Community (AEC) in 2015 is a major milestone for the regional economic integration agenda in ASEAN, offering opportunities in the form of a huge market of US\$2.6 trillion and over 622 million people. The AEC Blueprint 2025, adopted by the ASEAN Leaders at the 27th ASEAN Summit on 22 November 2015 in Kuala Lumpur, Malaysia, provides broad directions through strategic measures for the AEC from 2016 to 2025.

On 5 October 2015 Malaysia and the other TPP partner countries' reached agreement on the TPPA in Atlanta, marking the conclusion of the TPPA negotiations which began in 2010. The TPP will bring higher standards to nearly 40 percent of the global economy. In addition to liberalising trade and investment between member countries, the agreement addresses the challenges that we face in the 21st century, while taking into account the diversity of our levels of development. This historic agreement is expected to promote economic growth, support higher-paying jobs; enhance innovation, productivity and competitiveness; raise living standards; reduce poverty in our countries; and promote transparency, good governance, and strong labor and environmental protections.

Let us not forget that peace and harmony that we enjoy today is due to sacrifices of our forefathers who planted seeds of acceptance when they put their differences aside to gain independence for the nation. We must not let their sacrifices be in vain by spreading ethnic sentiments, which not only have a negative impact on race relations, but also the way people outside Malaysia view our country.

In celebrating this joyous occasion, let us also remember the less fortunate members of society by doing our bit to lend a helping hand. I am glad to note that many companies and even individuals are spreading Christmas cheer at welfare homes, orphanages, centres for the disabled and hospitals. Indeed, this is a proof that the caring society concept is well and alive in Malaysia.

2016 is a special year for MITI as we will be operating from our new premises, Menara MITI at Jalan Sultan Haji Ahmad Shah which has green building features. I hope this new environment will boost our commitment and further improve our service delivery to better serve the public.

Once again, I would like to take this opportunity to wish all MWB readers a wonderful Christmas filled with blessings and a Happy New Year 2016.

Thank you

Dato' Sri Mustapa Mohamed
Minister of International Trade and Industry
Malaysia



"DRIVING Transformation, POWERING Growth"



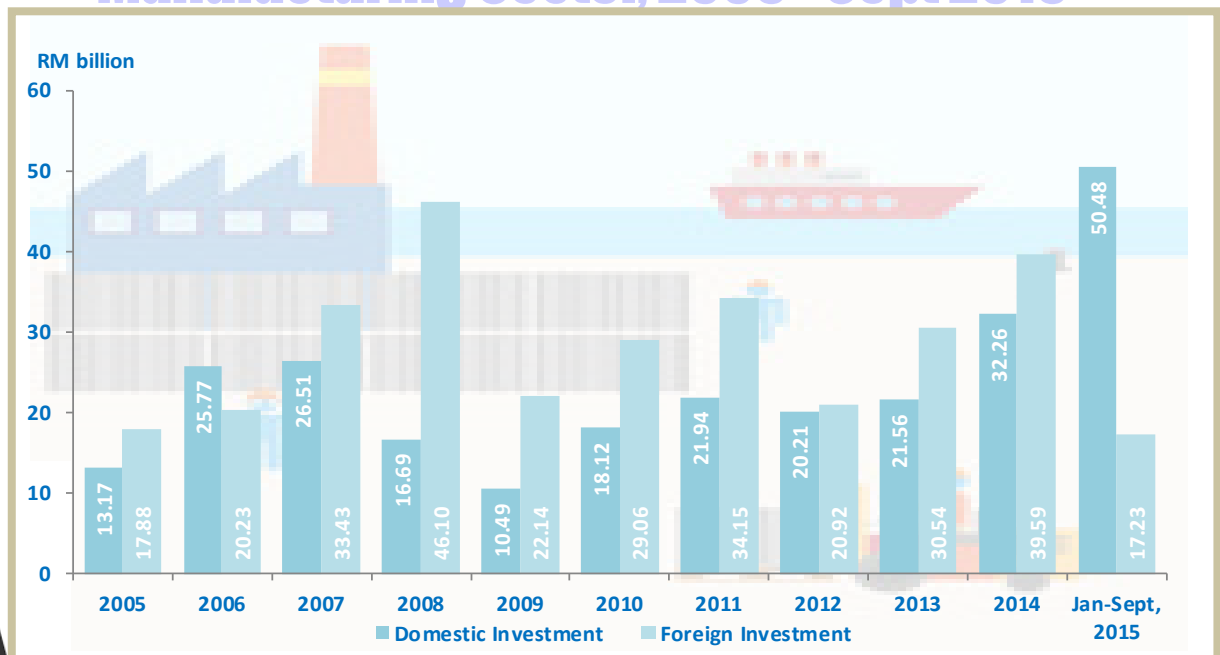
Malaysia

Approved Investments in Manufacturing Sector Jan - Sept 2015

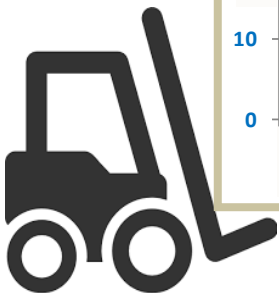


Source : Malaysian Investment Development Authority

Approved Investments in Manufacturing Sector, 2005 - Sept 2015



Source : Malaysian Investment Development Authority



Approved Investments in Manufacturing Projects with Foreign Participation by Major Country, Jan - Sept 2015

**Total Foreign Investment
RM 17.2billion**




Source :
Malaysian Investment Development Authority

1

 **Hong Kong**
No. of Projects: 9
Total Investment: RM4.4bil.

2

 **Japan**
No. of Projects: 52
Total Investment: RM2.7bil.

3

 **USA**
No. of Projects: 12
Total Investment: RM2.2bil.

4

 **Singapore**
No. of Projects: 78
Total Investment: RM1.6bil.

5

 **China**
No. of Projects: 12
Total Investment: RM1.2bil.

6

 **Germany**
No. of Projects: 18
Total Investment: RM1.1bil.

Approved Investments in Manufacturing Projects by Major Industries, Jan - Sept 2015

**Petroleum Products
(Incl. Petrochemicals)**

No. of Projects: 3
Total Investment: RM25.4bil.

Transport Equipment

No. of Projects: 41
Total Investment: RM5.9bil.

Natural Gas

No. of Projects: 1
Total Investment: RM10.4bil.

**Non-Metallic
Mineral Products**

No. of Projects: 18
Total Investment: RM3.6bil.

**Electronics &
Electrical Products**

No. of Projects: 62
Total Investment: RM6.4bil.

Basic Metal Products

No. of Projects: 24
Total Investment: RM3.5bil.

Source : Malaysian Investment Development Authority



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ASEAN

and You'



University Rankings: Top 10 ASEAN 2015

Ranking	University	Country
	1 National University of Singapore	Singapore
	2 Nanyang Technological University (NTU) Singapore	Singapore
	3 University of Malaya	Malaysia
	4 Mahidol University	Thailand
	5 Chulalongkorn University	Thailand
	6 National University of Malaysia	Malaysia
	7 Universiti Teknologi Malaysia	Malaysia
	8 University Putra Malaysia	Malaysia
	9 University of the Philippines	Philippines
	10 University of Indonesia	Indonesia

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Source: Quacquarelli Symonds Ranking

MITI's ASEAN Portal can be accessed via <http://aec2015.miti.gov.my/>



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International Report

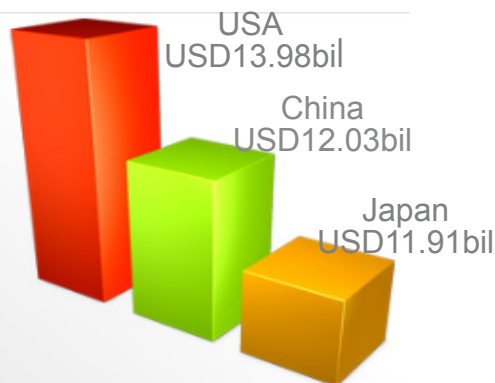
Indonesia Trade, January – November 2015

Year-on-Year growth (%)

Non-Oil & Gas Exports
by Major Destination

Exports
USD138.42billion
-14.32 %

Imports
USD130.61billion
-20.24%



Non-Oil & Gas Imports
by Major Country of Origin



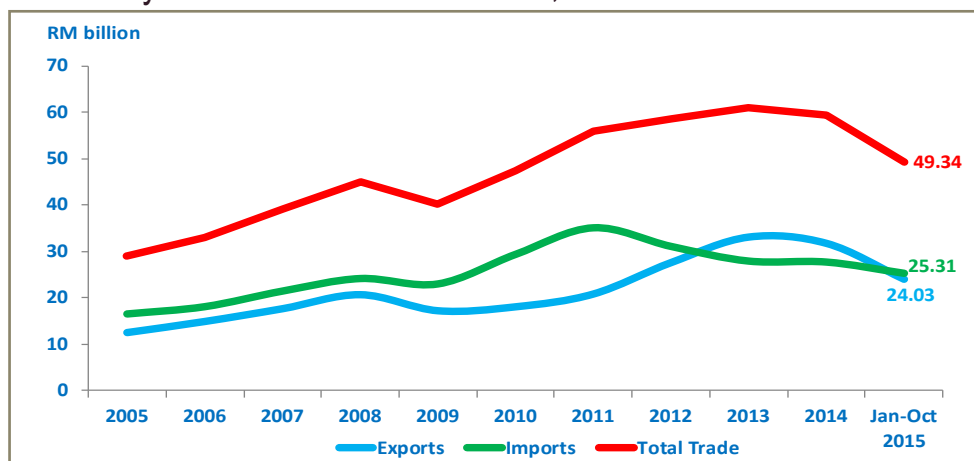
Source: Statistics Indonesia

Indonesia's Trade with ASEAN, 2013-2014



Source: http://www.asean.org/images/2015/July/external_trade_statistic/table17_asof17June15.pdf

Malaysia's Trade with Indonesia, Jan 2014 - Oct 2015



Passenger Car Production in Selected Countries in 2014

Production in million units

Did You Know?



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Note: Passenger cars are motor vehicles with at least four wheels, used for the transport of passengers, and comprising no more than eight seats in addition to the driver's seat.



Source: <http://www.statista.com/statistics/226032/light-vehicle-producing-countries/>
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Number and Value of Preferential Certificates of Origin (PCOs)

Number of Certificates (Provisional data)

	25 Oct 2015	1 Nov 2015	8 Nov 2015	15 Nov 2015	22 Nov 2015	29 Nov 2015	6 Dec 2015	13 Dec 2015
AANZFTA	1,003	802	204	859	1,013	870	683	863
AIFTA	546	736	688	477	652	593	656	732
AJCEP	194	236	238	165	185	175	169	178
ATIGA	4,774	3,817	4,986	3,461	4,675	4,591	4,552	4,782
ACFTA	1,479	1,551	1,607	1,218	1,319	1,611	1,659	1,673
AKFTA	1,001	886	806	642	878	875	935	770
MICECA	309	314	306	213	316	252	302	280
MNZFTA	7	7	14	10	2	9	8	18
MCFTA	82	44	76	30	58	69	34	60
MAFTA	560	366	603	287	529	466	424	449
MJEPA	871	807	909	720	860	873	875	674
MPCEPA	172	134	175	130	116	119	122	197
GSP	146	123	150	77	169	81	93	166
MTFTA	209	160	223	124	162	208	222	174

Notes: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.



AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement (Implemented since 1 January 2010)



ATIGA: ASEAN Trade in Goods Agreement (Implemented since 1 May 2010)



AJCEP: ASEAN-Japan Comprehensive Economic Partnership (Implemented since 1 February 2009)



ACFTA: ASEAN-China Free Trade Agreement (Implemented since 1 July 2003)



AKFTA: ASEAN-Korea Free Trade Agreement (Implemented since 1 July 2006)



AIFTA: ASEAN-India Free Trade Agreement (Implemented since 1 January 2010)



MPCEPA: Malaysia-Pakistan Closer Economic Partnership Agreement (Implemented since 1 January 2008)



MJEPA: Malaysia-Japan Economic Partnership Agreement (Implemented since 13 July 2006)



MICECA: Malaysia-India Comprehensive Economic Cooperation Agreement (Implemented since 1 July 2011)



MNZFTA: Malaysia-New Zealand Free Trade Agreement (Implemented since 1 August 2010)



MCFTA: Malaysia-Chile Free Trade Agreement (Implemented since 25 February 2012)

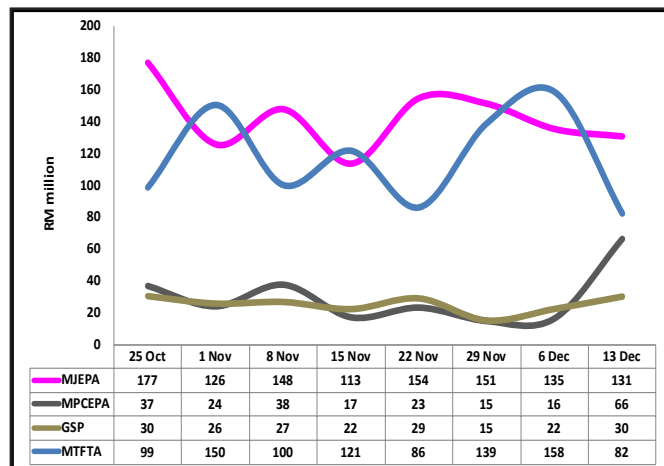
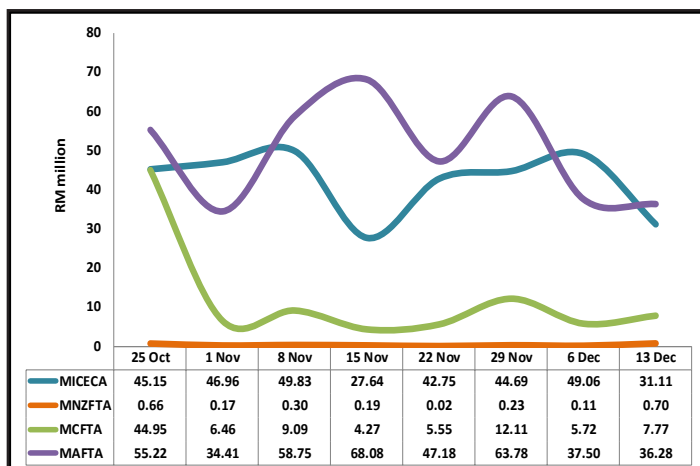
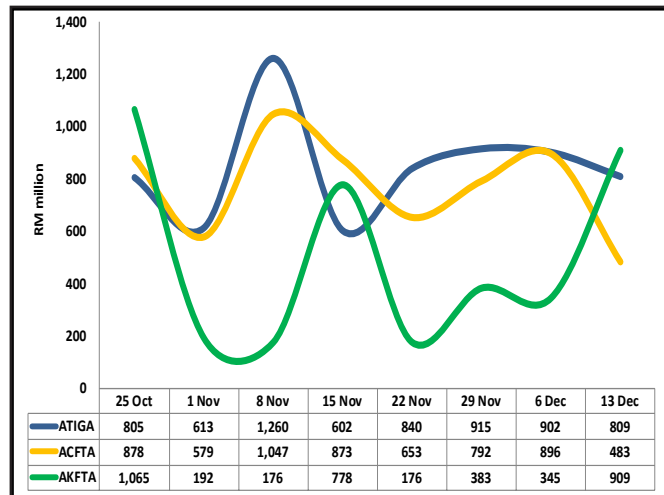
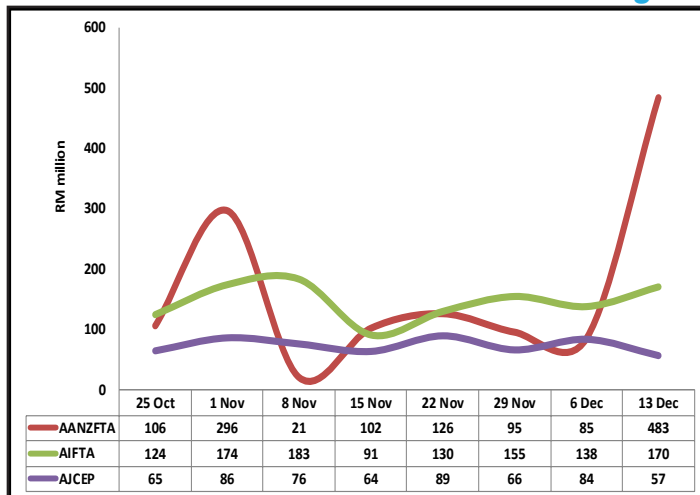


MAFTA: Malaysia-Australia Free Trade Agreement (Implemented since 1 January 2013)



MTFTA: Malaysia-Turkey Free Trade Agreement (Implemented since 1 August 2015)

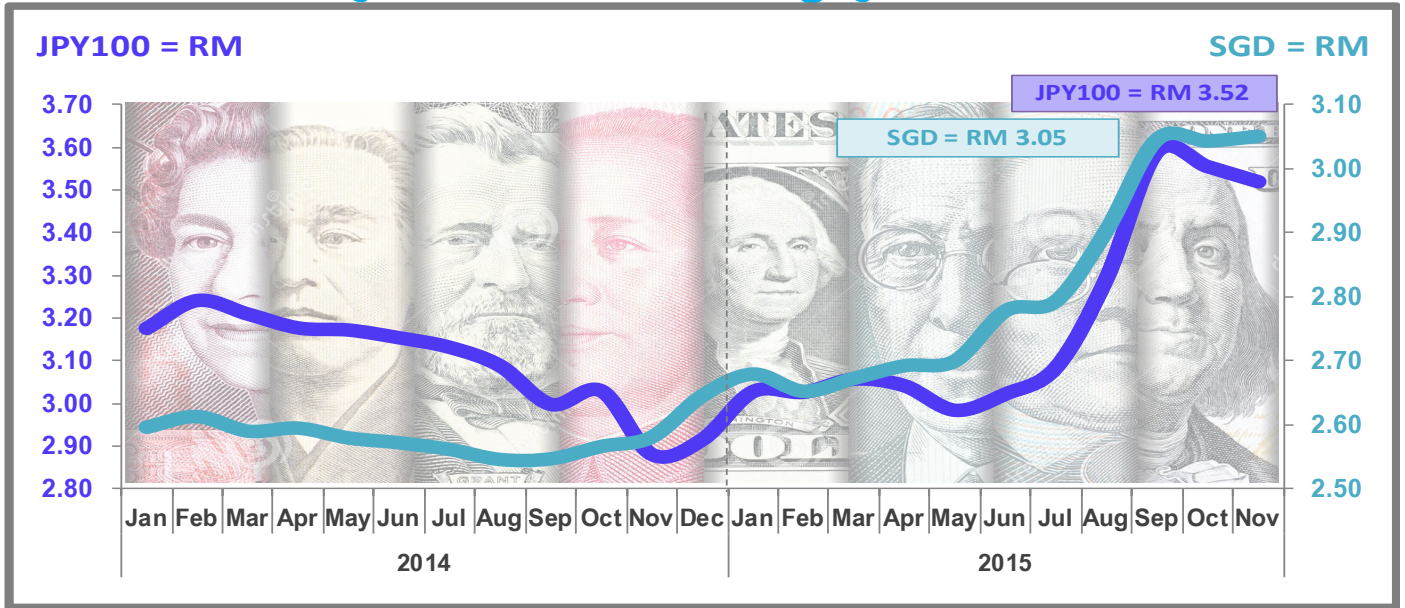
Value of Preferential Certificates of Origin



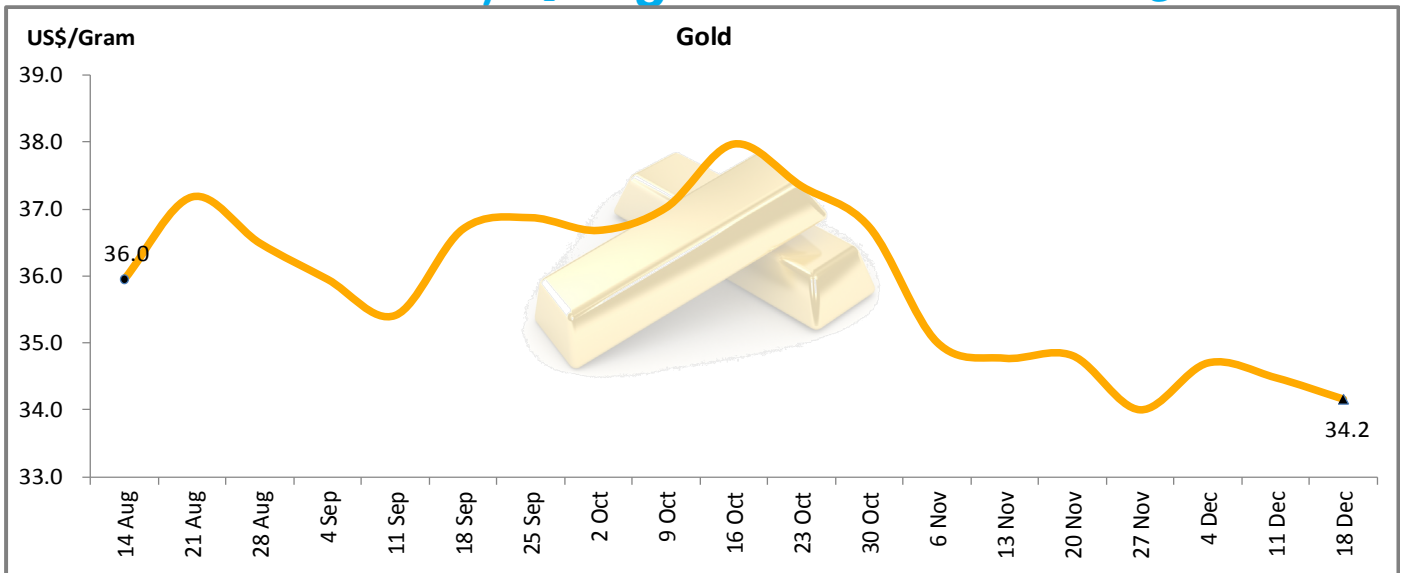
“DRIVING Transformation, POWERING Growth”

Source: Ministry of International Trade and Industry, Malaysia

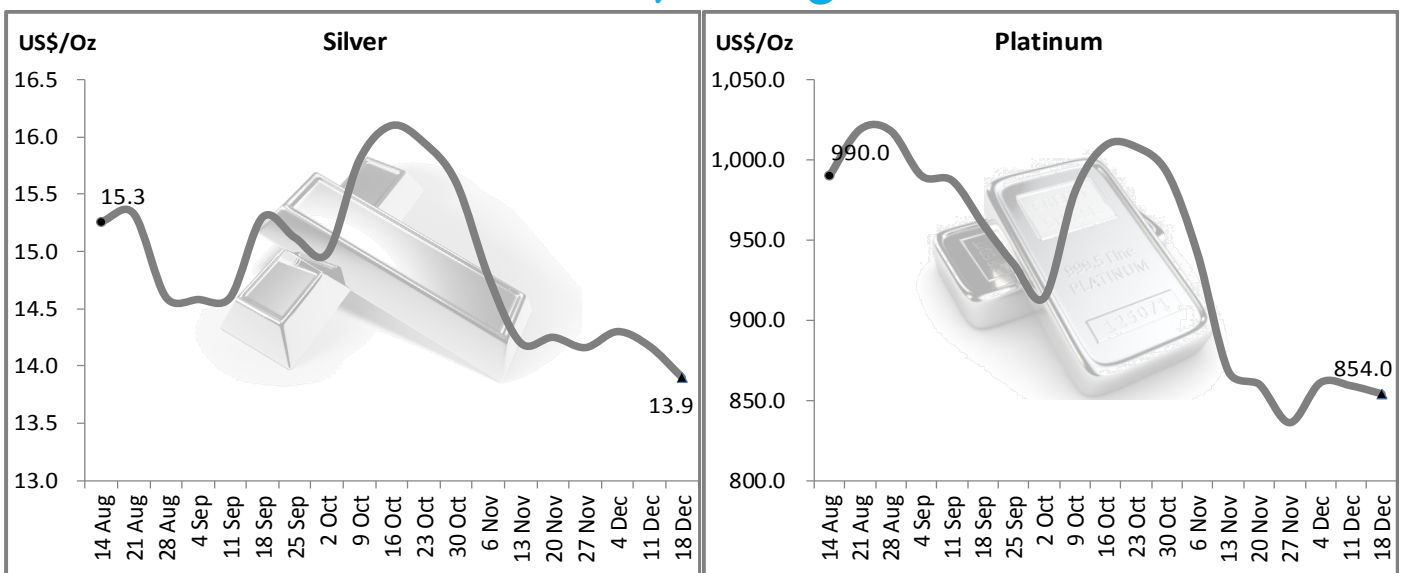
Malaysian Ringgit Exchange Rate with Japanese Yen and Singapore Dollar



Gold Prices, 14 August - 18 December 2015










Silver and Platinum Prices, 14 August - 18 December 2015



http://online.wsj.com/mdc/public/page/2_3023-cashprices.html?mod=topnav_2_3023

Commodity Prices

Commodity	 Crude Petroleum (per bbl)	 Crude Palm Oil (per MT)	 Sugar (per lbs.)	 Rubber SMR 20 (per MT)	 Cocoa SMC 2 (per MT)	 Coal (per MT)	 Scrap Iron HMS (per MT)
18 Dec 2015 (US\$)	34.7	560.0	15.1	1,157.5	1,987.8	47.5	190 (high) 170 (low)
% change*	↓ 2.5	↓ 0.3	↑ 3.6	↓ 1.4	↓ 2.6	↑ 0.2	unchanged unchanged
2014 ⁱ	54.6 - 107.6	823.3	352.3	1,718.3	2,615.8	59.8	370.0
2013 ⁱ	88.1 - 108.6	805.5	361.6	2,390.8	1,933.1	..	485.6

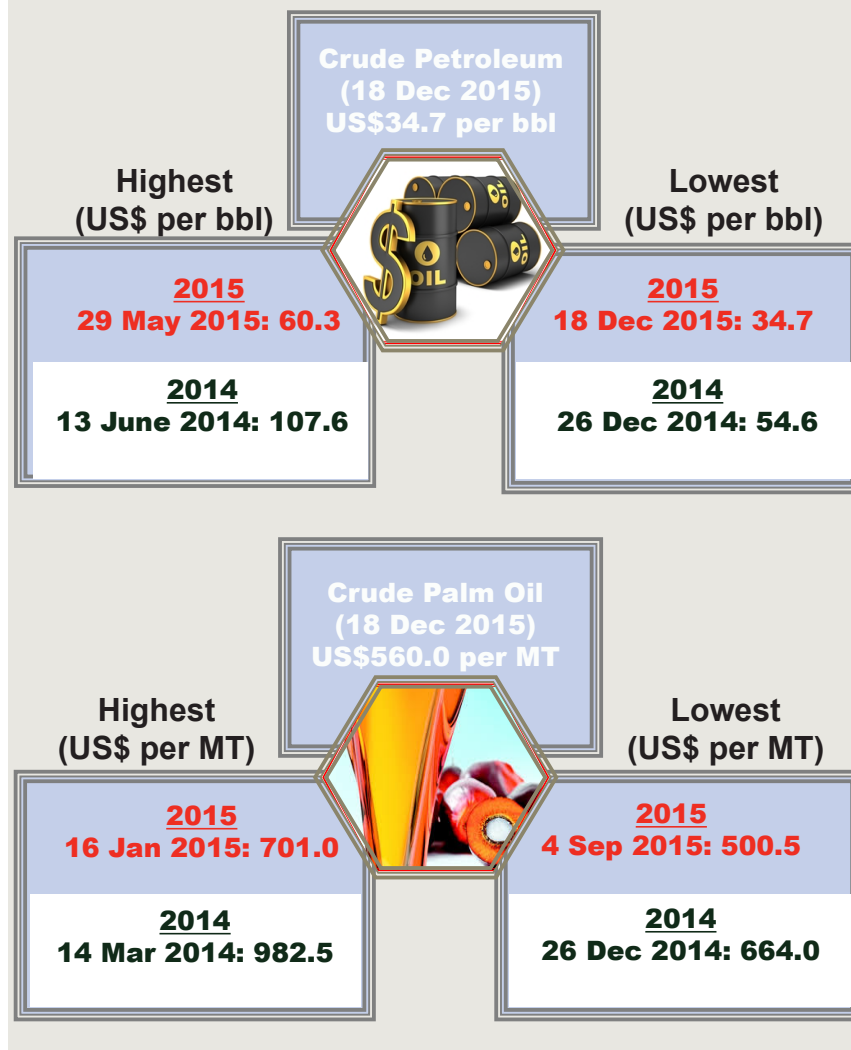
Notes: All figures have been rounded to the nearest decimal point

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

ⁱ Average price in the year except otherwise indicated

n.a Not available

Highest and Lowest Prices, 2014/2015



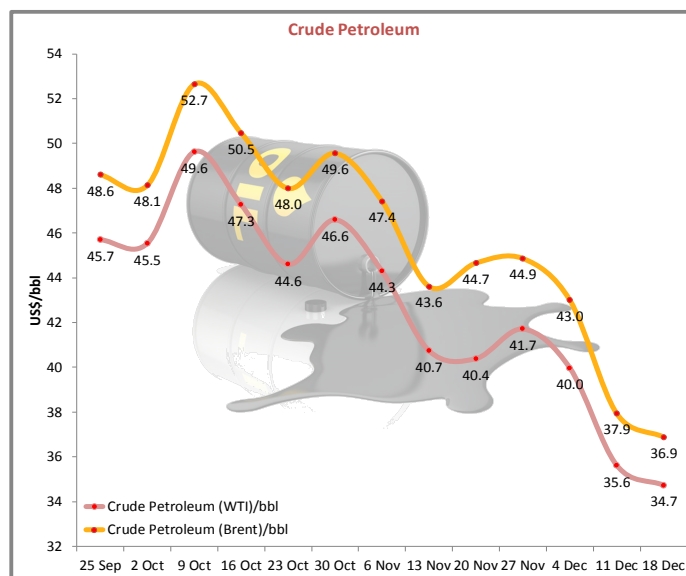
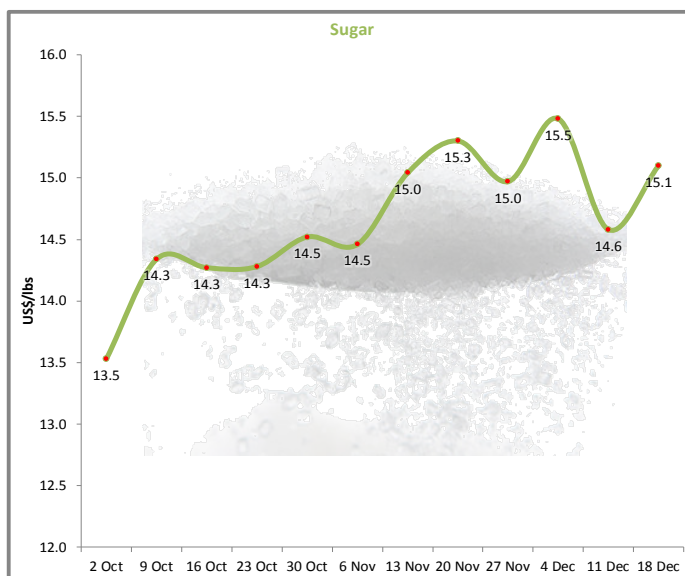
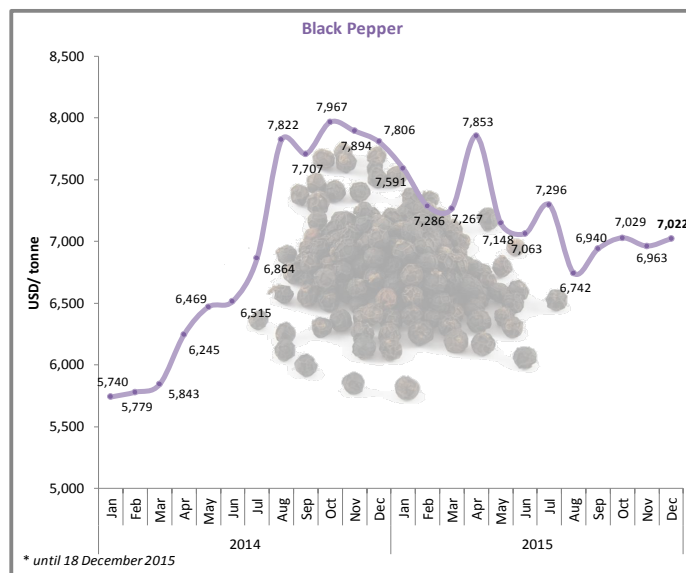
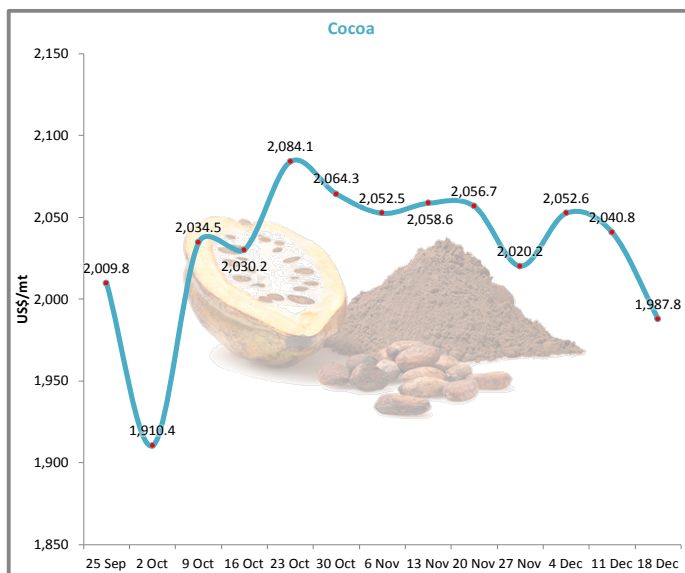
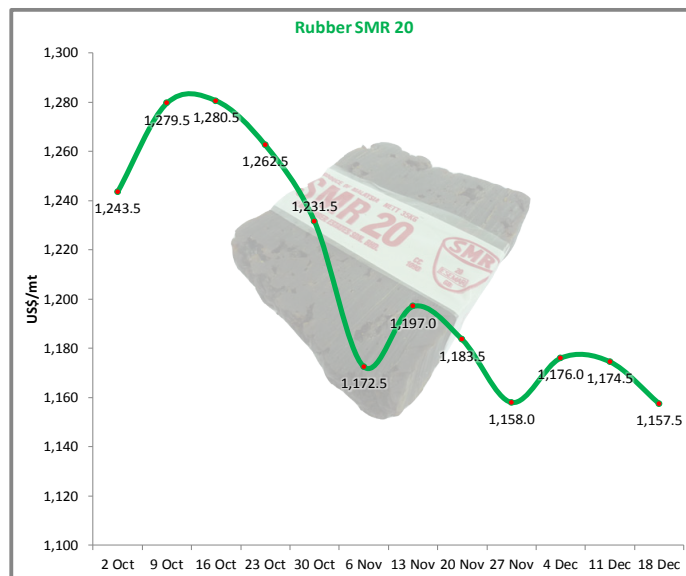
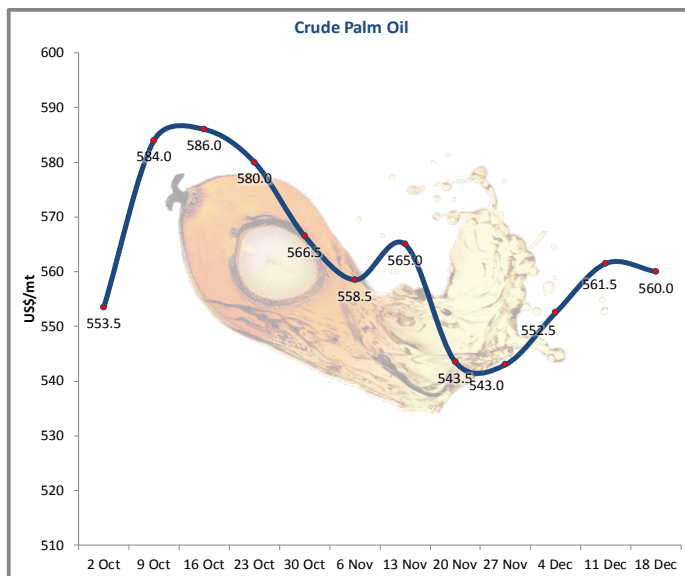
Average Domestic Prices, 18 Dec 2015



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



Commodity Price Trends

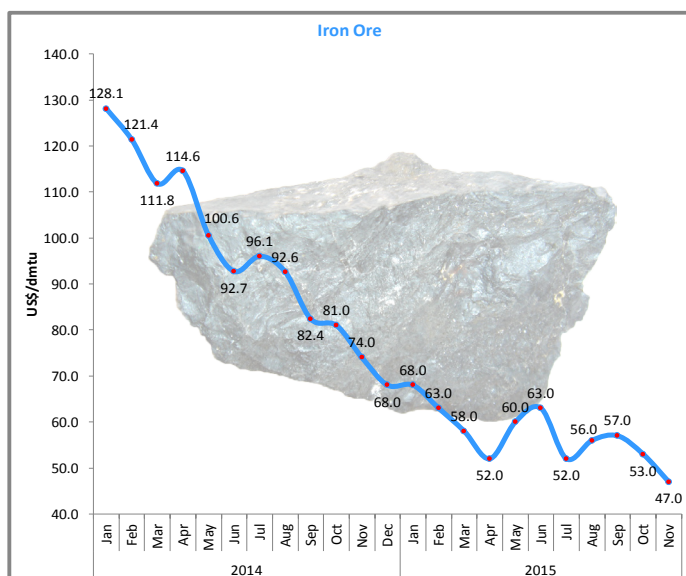
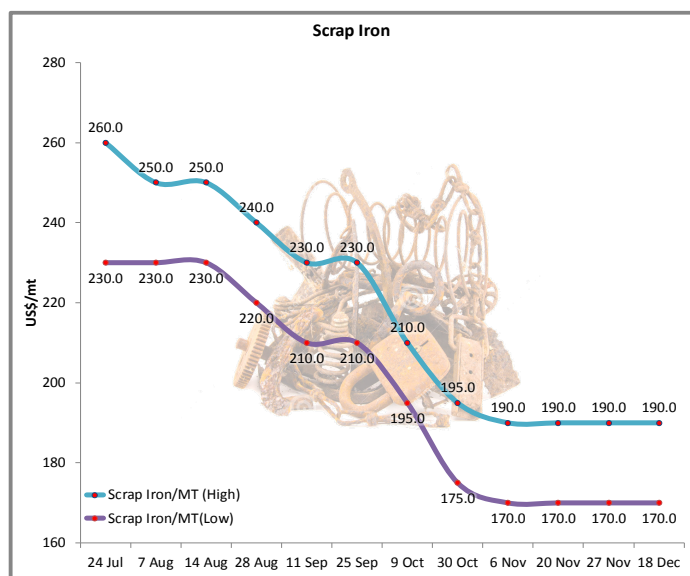
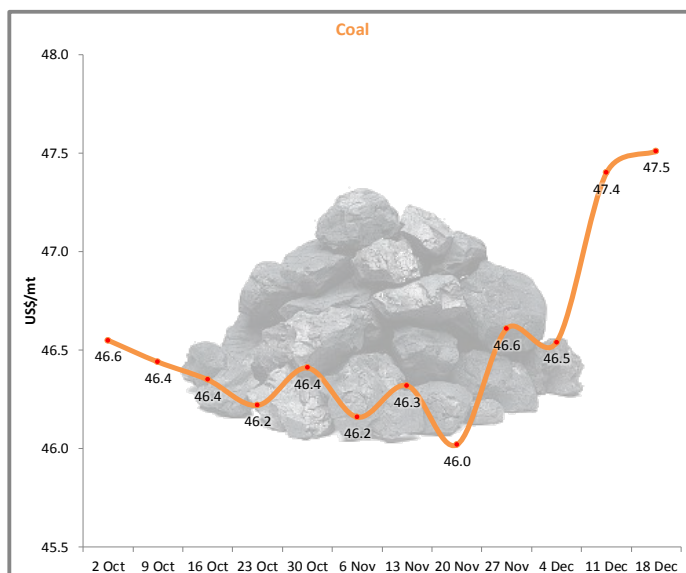
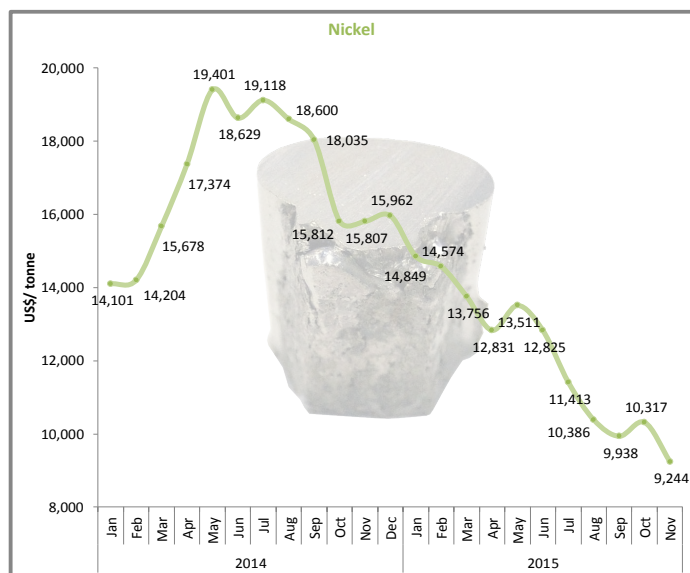
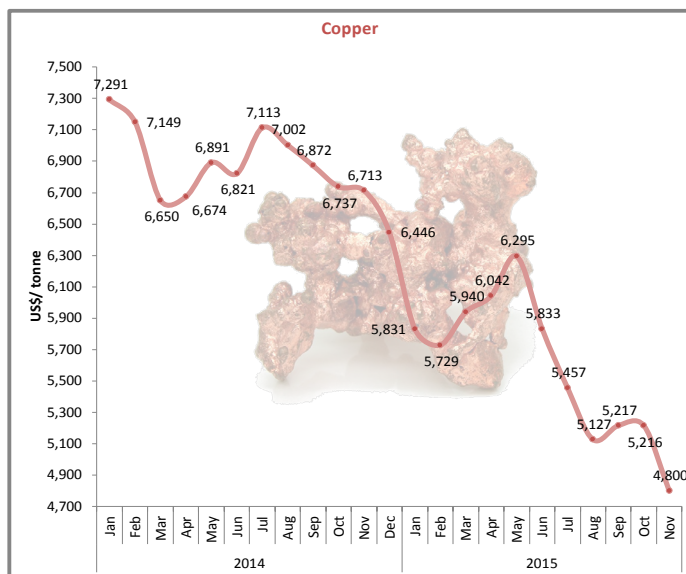
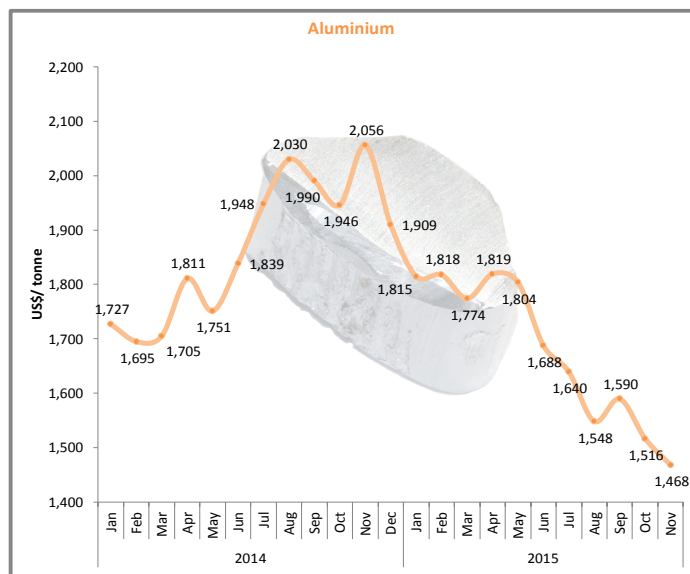


Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

“DRIVING Transformation, POWERING Growth”



Commodity Price Trends



“DRIVING Transformation, POWERING Growth”

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





“I don’t like doing paper presentations says Encik Khairil Adri Adnan, the Chief Executive Officer of DreamEDGE”

So when asked to take part in a pitch to meet Mr. Barack Obama, the President of the United States, he brought Nao along. Not only can Nao excite her audience with impressive dance moves, she can hold their undivided attention when she gives presentations. Thanks to Nao’s successful pitch, DreamEDGE was one of the three companies given the chance of a lifetime to have a face-to-face session with Mr. Barack Obama during his short visit to Malaysia last year. However, Nao had to be programmed to perform all the functions mentioned because she is a robot.

“I purchased Nao to develop local talent in programming,” says Encik Khairil who paid over RM50,000 for the female sounding android. He considers the robot a worthwhile investment, foreseeing a future where automation will be in demand. When that happens, he knows he will need experts who can do programming. His forward thinking approach is what has gotten DreamEDGE this far where it is now on the verge of making the transition from being an engineering based company to one that is focused on offering solutions through innovation.

As an engineering service provider, the company has worked for clients in various industries including automotive, heavy industries, precision equipment, and railway, among others, both locally and abroad. In fact, DreamEDGE has a subsidiary in Japan and has successfully completed jobs for clients from the United Kingdom, Austria, Brazil, India, Australia, Indonesia, and Thailand. “Things were going well, but I thought it is risky to concentrate on one type of business. So in 2013, we started developing our own products to mitigate the risk. If we develop 10 to 20 products and at least one of them takes off, it could become the company’s main source of revenue in the future,” says Encik Khairil, recalling the company’s first move to diversify its business.

After careful study and consideration, the company decided to venture into the production of electric vehicles. The business involves mechanical, electronic, and programming expertise, all of which they have in-house expertise. The company’s range of electric vehicles to date includes the Future Friendly Eco Commuter, Electrifying Three Wheeler, and Green Community Bus. These socially conscious forms of transportation are energy efficient, have low carbon emissions, and are disabled access friendly. Aside from vehicles, the company is also developing its own robots. They may not be as charming as Nao, but they are designed and programmed to fulfil specific functions. The Automated Guided Vehicle (AGV) for example, according to Encik Khairil, is able to haul a complete car on its own and would be useful in automotive manufacturing plants.

The company has been recognised as one of the Top 10 Fast Growing Companies at the SME Award in 2012 and was a recipient of the 1-InnoCERT Best Innovation Award in Engineering and Industrial Design in 2014. However, one of its most memorable achievements is the establishment of its Digital Engineering Design Centre (DEDC) in Taiping, Perak. DEDC serves as a platform to coordinate collaborations between universities and the industry. Now in its third year, the Centre has hired and developed more than 200 local graduates as engineers. In fact, Encik Khairil is proud that DreamEDGE is able to give many young people a leg up in the field of engineering and innovation. “Growing up, I used to watch enviously as my cousins played with remote control cars, Game Boy, and PlayStation as I could not have one. So now I want to create opportunities for those who have passion for gadgets and technology like I do. I want them to turn their imagination and creativity into endless possibilities,” concludes Encik Khairil.



DreamEDGE
Innovating The Future

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MITI Programme

Meeting of ASEAN Economic Ministers in Nairobi 16 December 2015



“DRIVING Transformation, POWERING Growth”





Media Release

ASEAN COMMITTED TOWARDS PRESERVING CENTRALITY AND MEETING THE 2016 DEADLINE OF REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP) NEGOTIATIONS

I chaired an informal gathering of ASEAN Ministers and Heads of Delegation in Nairobi, Kenya on 15 December 2015 to discuss the way forward for Regional Comprehensive Economic Partnership (RCEP). This meeting is a follow-up to the decision made by ASEAN leaders in KL during the recently held ASEAN Summit in November 2015 to conclude RCEP negotiations by the end of 2016. The meeting reiterated the centrality of ASEAN in the negotiations. Ministers agreed to direct their officials to step up the work in the next few weeks to ensure that the next round of negotiations in Brunei scheduled from 15-19 February 2016 will produce a good outcome.

At the meeting in Nairobi, every ASEAN member state shared the challenges they are facing in areas involving goods, services and investment under the RCEP negotiations. By doing so, it is hoped that we will have a better understanding of the challenges faced as we seek to conclude the negotiations by the end of next year. It was also agreed that all member states will support Mr. Iman Pambagyo, the Trade Negotiating Committee Chair and RCEP coordinator for ASEAN. If need be, our officials will meet before the upcoming round of negotiations in Brunei. The last Round between negotiators is scheduled for September 2016. As this is also the month during which the next ASEAN Summit will be held, it was decided that the Round will be brought forward so that substantive conclusion of the agreement could be done by September 2016.

For Trade in Goods, I am pleased to note that RCEP has made good progress especially with all RCEP Participating Countries (RPCs) agreeing to the Basic Concept of Initial Offers (BCIO). It is also encouraging to note that 15 RPCs have submitted their initial offers. For Trade in Services, we are encouraged with the submission of the revised offers with value add elements. In this regard we hope that the other ASEAN countries who had not so will follow suit.

For Investment, we commend the good progress made in the Investment Chapter notably the efforts of all RPCs to table their Initial Reservation Lists during the last Round in Busan, Korea. All RPCs are urged to keep up the good momentum and to ensure progress by resolving the key issues in investment. It is important for ASEAN to continue leading the process in the Investment Chapter. The meeting also noted that China and India had demonstrated commitment to achieve progress in RCEP negotiations. Completing the RCEP negotiations by 2016 has become more urgent with the conclusion of Trans-Pacific Partnership negotiations in October 2015. RCEP which involves ASEAN and 6 FTA partners, accounts for 30% of world trade and will provide a big boost towards closer economic integration among the countries involved as well as with other countries around the globe.

MALAYSIA IS COMMITTED TOWARDS STRENGTHENING OUR ECONOMIC TIES WITH KENYA

I hosted a roundtable session with some 15 representatives from the Kenyan business community on 16 December 2015. During that one and a half hour session, I explained the economic outlook and policies undertaken by the Malaysian Government to promote trade and attract investments into our country.

Kenya has a population of 46 million with income per capita of USD3,100. The country has recorded average annual economic growth of around 6% over the past 5 years. This impressive performance was partly due to its improved political stability and good growth recorded by the agriculture and services sectors. Malaysia and Kenya enjoy close bilateral ties. The total trade between the two countries had increased by more than double from USD283 million in 2013 to USD742 million in 2014. Despite the strong trade figures last year, it should be noted that our exports to Kenya worth USD737 million far exceeded our imports from the country which stood at only USD5.5 million. This very large trade gap needs to be narrowed but it presents a big challenge because Kenya does not produce the products which have a high demand in Malaysia, such as electrical & electronics products.

Nairobi and Kenya are now experiencing a construction boom and there is a strong interest to source building materials from Malaysia. I met with Suraya Properties Group, one of the largest property developers in Kenya. In view of this strong interest, MATRADE which has an office in Nairobi will bring a number of Malaysian companies to Nairobi in order to promote Malaysian products. The Kenya Commercial Bank Group is planning to bring a delegation of Kenyan investors and traders to Kuala Lumpur in the first half of next year. It is hoped that this visit will strengthen the business relationship between the two countries.

Africa has enormous economic potential. A number of countries in the continent are experiencing impressive rate of economic growth. The region is on the rise. As a trading nation and an open economy, Malaysia will continue to diversify its business relations with the African continent. MITI will continue to ramp up and promote investment opportunities in East Africa. In fact, there are a number of Malaysian companies currently operating in Kenya. Among them is Golden Africa Kenya Limited which recently completed its USD50 million palm oil refinery plant in Athi River, which is 42 kilometers from Nairobi. Another Malaysian company in Kenya is Probase Manufacturing, which possesses unique construction technology suitable for the Kenyan market. This company has already completed two 10-kilometer road projects in Meru and Samburu counties, and this week has signed the MoU to implement a similar project in Embu county which could involve the construction of 100-kilometers of rural road, beginning with 10-kilometer pilot project.

Malaysia and Kenya has many similarities as both countries gained independence around the same time. Education could be the key to help strengthen the relationship between the two nations as there are currently 900 Kenyan studying at our local universities. In fact, many of the Kenyan alumni are currently holding key positions in the Kenyan Government and private sector.

“DRIVING Transformation, POWERING Growth”





@ YOUR SERVICE



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Designation : Senior Assistant Administrative Officer
Job Description : Reviewing and approving certificate of origin (COO) online application for scheme of AKFTA, ACFTA, AFTA and MICECA.
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Name : Nora Sulaiman
Designation : Senior Assistant Administrative Officer
Job Description : Reviewing and approving certificate of origin (COO) online application for scheme of AKFTA, ACFTA, AFTA and MICECA.
Division : Trade and Industry Support
Contact No : 603-6203 4736
Email : nora.sulaiman@miti.gov.my

“ ” Quote of the Day

“The best index to a person’s character is how he treats people who can’t do him any good, and how he treats people who can’t fight back”

Abigail Van Buren



Comments & Suggestions

Dear Readers,
Kindly click the link below for any comments in this issue. MWB reserves the right to edit and to republish letters as reprints
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