



Gong Xi, Gong Xi.

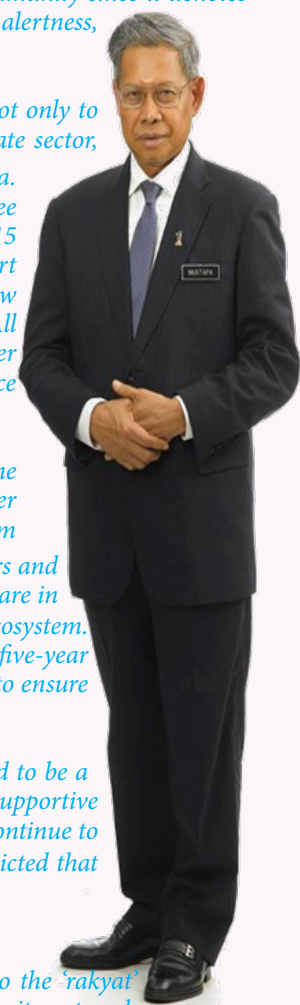
The Chinese Lunar New Year, or commonly known as Spring Festival, which falls on 8 February 2016, is a joyous time for the ethnic Chinese community, as it is a time to celebrate long-held traditions of family reunions, abundant food and renewal of old friendship ties. The date of the celebration this year is particularly auspicious as '8' is indeed a much sought after numeric among the Chinese community since it denotes continuous growth and prosperity. Interestingly, this year is the Year of the Fire Monkey which symbolises intelligence, alertness, pragmatism and energy. It is imperative that we continue to embrace these qualities as we move together as a nation.

My team and I at the Ministry of International Trade and Industry (MITI) are very excited about 2016. It promises not only to be challenging but also, we believe, most rewarding to the business community as we continue to work with the private sector, including SMEs, to further realise the benefits of Malaysia's trade and investment liberalisation and facilitation agenda. There is undoubtedly much work on our plate comprising on-going issues as well as new initiatives. The year 2016 will see further development of the automotive industry, implementation of the ASEAN Economic Community (AEC) post 2015 programme, substantive conclusion of RCEP negotiations, implementation of export strategies from our National Export Council as well as from our concluded regional and bilateral FTAs. On top of this, MITI is also embarking on a slew of new initiatives in areas of aerospace, halal industry development, e-commerce as well as reducing the cost of doing business. All of these will be anchored on core competencies related to increasing productivity and enhancing competitiveness to further propel our industries up the global value chain. We are an exporting nation and we need to continuously create, produce and sell ideas, goods and services that value add to our country's growth.

As we embark on this journey together with the business community, I would like to emphasize here that unlocking the potential of productivity will be a game changer for MITI as we work towards re-engineering economic growth for greater prosperity. All this is clearly spelt out in the 11th Malaysia Plan as the country's approach to productivity will shift from primarily Government-driven initiatives at the national level to targeted actions across the public sector, industry players and individual enterprises. The main challenges that confront us and that we must meet head-on in enhancing productivity are in the areas of labour market, market dynamics in the form of incentives and subsidies, regulatory burden and innovation ecosystem. The Government, through MITI will put in place a nation-wide productivity agenda and implementation plan with a five-year Malaysia Productivity Blueprint. We are very aware that a robust economic growth anchored on productivity is crucial to ensure that our aspiration of becoming an advanced economy by 2020 is attained.

MITI will continue its role to spur the development of Malaysian industries and international trade in what is expected to be a challenging economic landscape in 2016. I also take this opportunity to thank the business community for always being supportive and actively involved in MITI's engagements. I hope in this coming lunar year, the Malaysian business community will continue to grow and to prosper, particularly within the wider ASEAN region. As a single market, it is predicted that ASEAN will be the fourth largest in the world by 2050.

*I give the assurance that my team and I in MITI will continue to assume a constructive and facilitative role in delivering our services to the business community and particularly to the 'rakyat' in terms of generating quality employment opportunities. MITI will broaden and deepen its outreach activities to ensure that our programmes bring optimal benefit to our clients, stakeholders and the 'rakyat'. On this note, let me once again wish all Malaysians, particularly the ethnic Chinese community **GOOD HEALTH, GOOD LUCK AND A VERY HAPPY CHINESE NEW YEAR 2016. GONG XI FA CAI.***



Datu' Sri Mustapa Mohamed
Minister of International Trade and Industry

MITI Weekly Bulletin (MWB) Mobile Apps

MITI MWB APPs is now available on IOS, Android and Windows platform and is ready for download from the Gallery of Malaysian Government Mobile APPs (GAMMA).



MITI in the News

Government to Engage SMEs to Enhance their Participation under TPP

The government will get small and medium enterprises (SMEs) participation to help expand their business globally, particularly through the Trans-Pacific Partnership Agreement (TPPA).

International Trade and Industry Minister Datuk Seri Mustapa Mohamed said the government will ensure SMEs take advantage from the TPPA.

“There are lot more programmes that can be introduced for SMEs, particularly that of Bumiputeras, so that they could join the global network by taking advantage of FTAs (free-trade agreements) like the TPP,” he said when tabling a motion on Malaysia’s involvement in the TPPA at a special session of the Dewan Negara here today

At present, the SMEs’ contribution to the country’s export is 18%, he said, adding that the government preferential policies on Bumiputera companies and government procurement will be maintained under the TPPA.

On public anxiety over the TPPA, he said the Bumiputera affirmation policies under the Government Procurement Chapter, State-Owned Companies Chapter, Investment Chapter and Services Chapter would be continued.

He said the flexibility granted to Malaysia include the duration and higher threshold in implementing the obligations, especially under the Procurement Chapter and State-Owned Companies Chapter (SOEs) and Designated Monopolies.

“This include allocating 30% (of government procurement) to Bumiputera contractors in the construction sector and an initial threshold SDR63 million or RM315 million.

“Priority is given to Bumiputera, including SMEs, as well as entities from Sabah and Sarawak up to 40% of the annual allocation of the purchase of SOEs. In addition, Bumiputera suppliers and manufacturers will continue to enjoy preferential prices for goods and services in government procurement,” he said.

Mustapa said five other countries had expressed their wish to joined the TPP and Malaysia would be lagging behind if it chose stay away from the trade pact.

The Sun Daily, 28 January 2016

Statistics

Inflation 2015

Malaysia: 2.1%

Alcoholic Beverages & Tobacco¹
13.5%

Health¹
4.5%

Restaurants & Hotels¹
4.1%

Food & Non-Alcoholic Beverages²
3.6%

Housing, Water, Electricity, Gas & Other Fuels²
2.5%

Transport²
-4.5%

Rural: 1.7%

Alcoholic Beverages & Tobacco¹
14.3%

Health¹
3.5%

Restaurants & Hotels¹
3.2%

Food & Non-Alcoholic Beverages²
2.6%

Housing, Water, Electricity, Gas & Other Fuels²
2.3%

Transport²
-4.4%

Urban: 2.3%

Alcoholic Beverages & Tobacco¹
13.2%

Health¹
4.6%

Restaurants & Hotels¹
4.4%

Food & Non-Alcoholic Beverages²
4.0%

Housing, Water, Electricity, Gas & Other Fuels²
2.5%

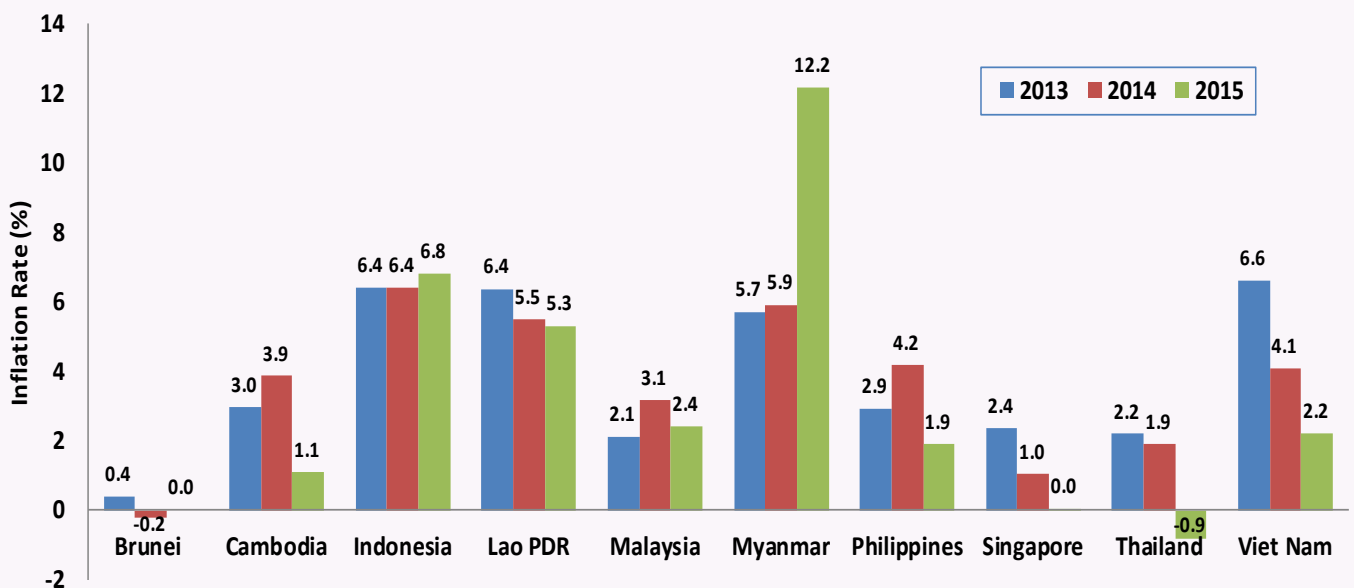
Transport²
-4.6%

Note : ¹ Main groups sorting by larger inflation rate

² Main groups sorting by weightage

Source : Department of Statistics, Malaysia

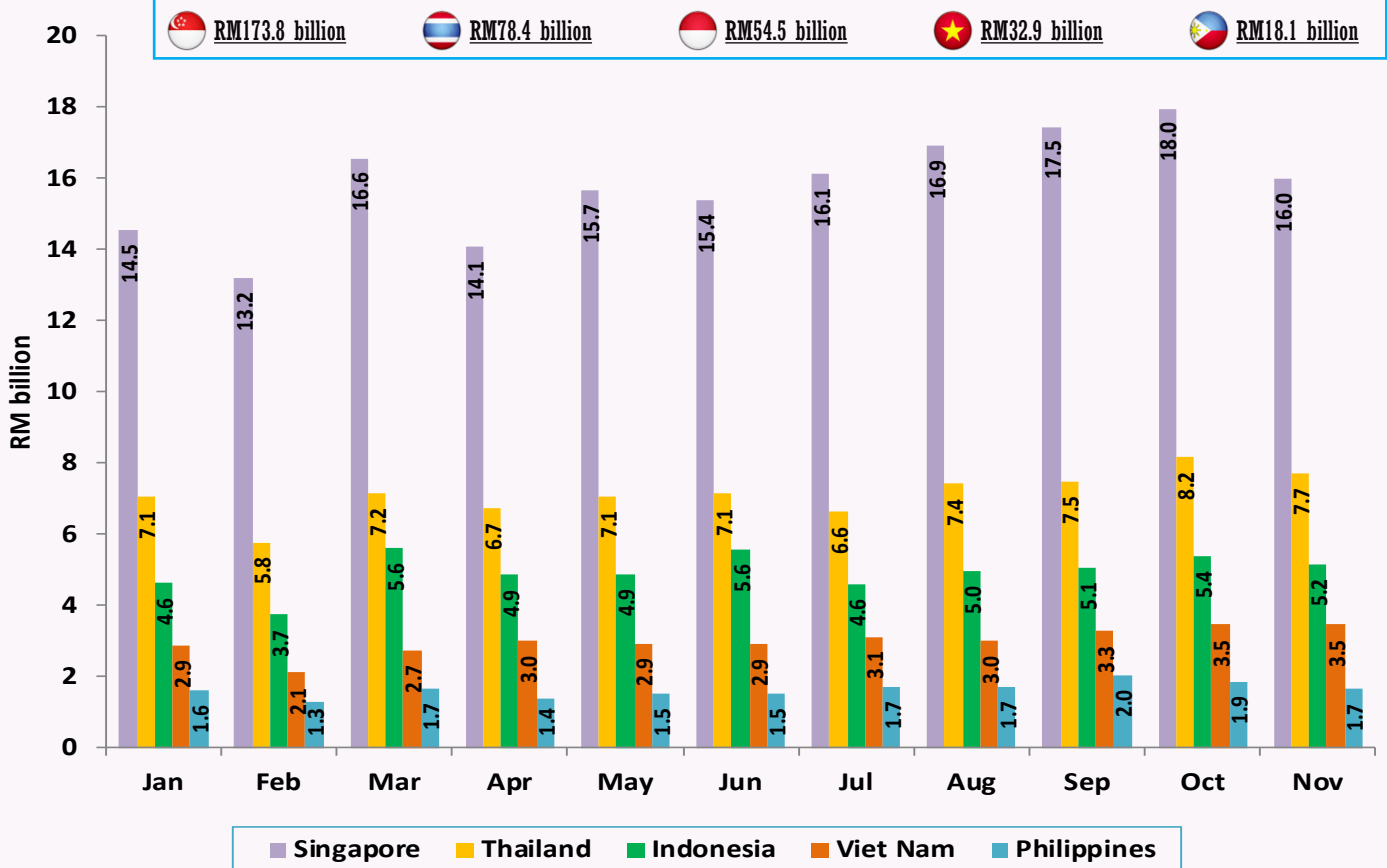
ASEAN Country Inflation Rate, 2013 - 2015



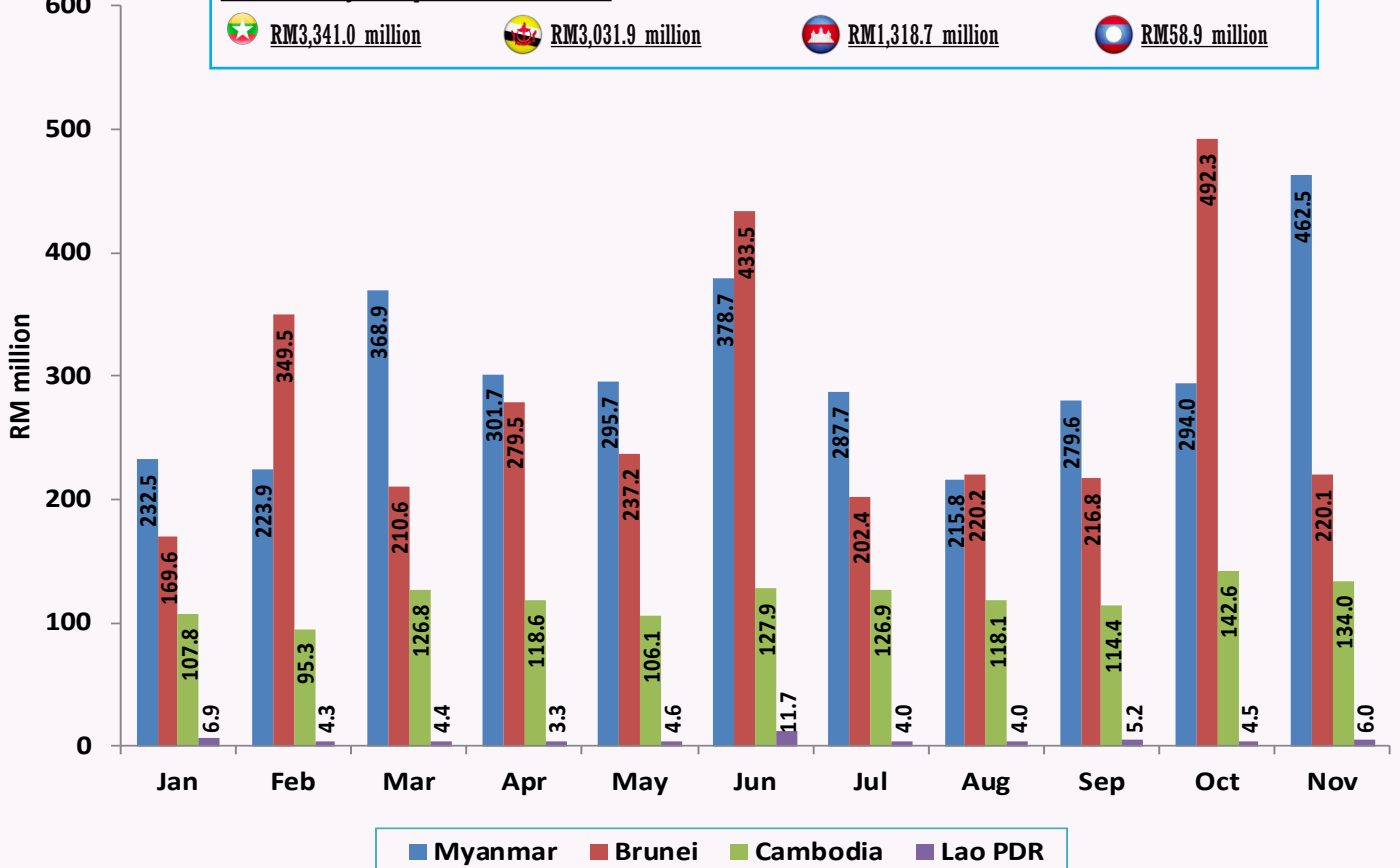
Source : WEO Database, October 2015

Malaysia's Trade with ASEAN Members, January - November 2015

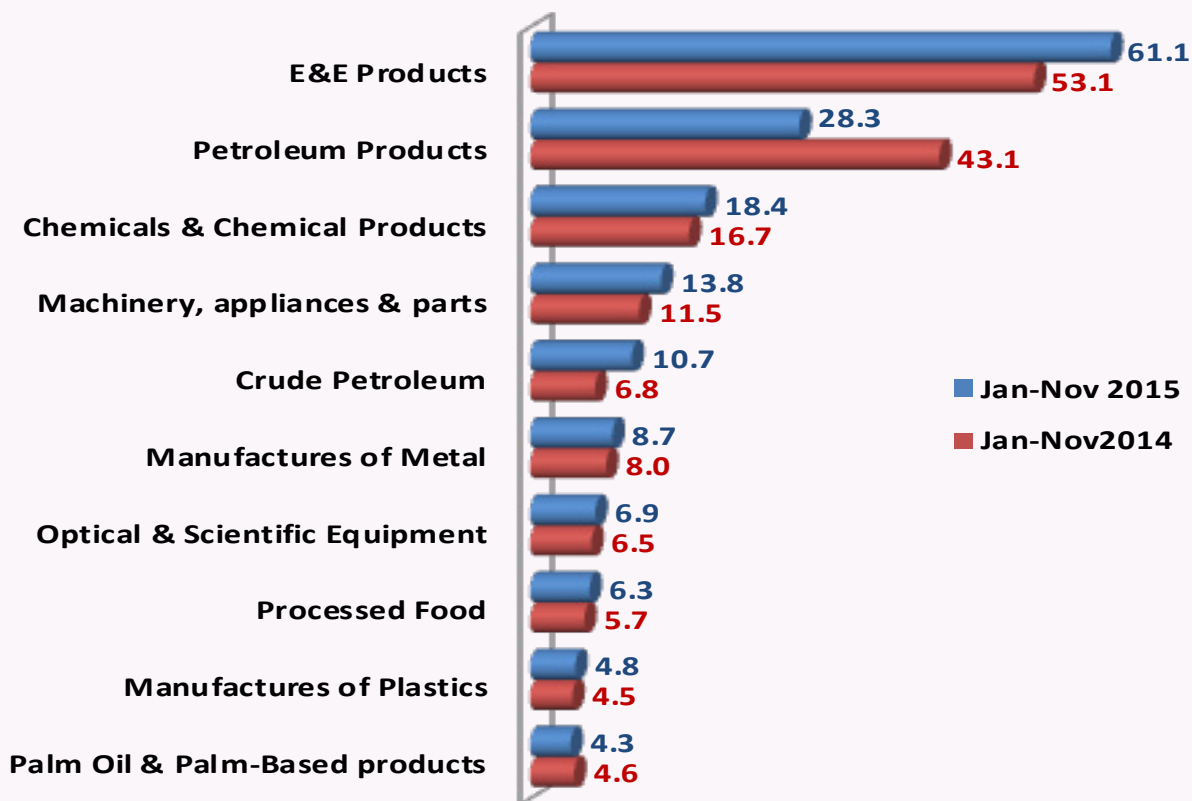
Total Trade January - November 2015



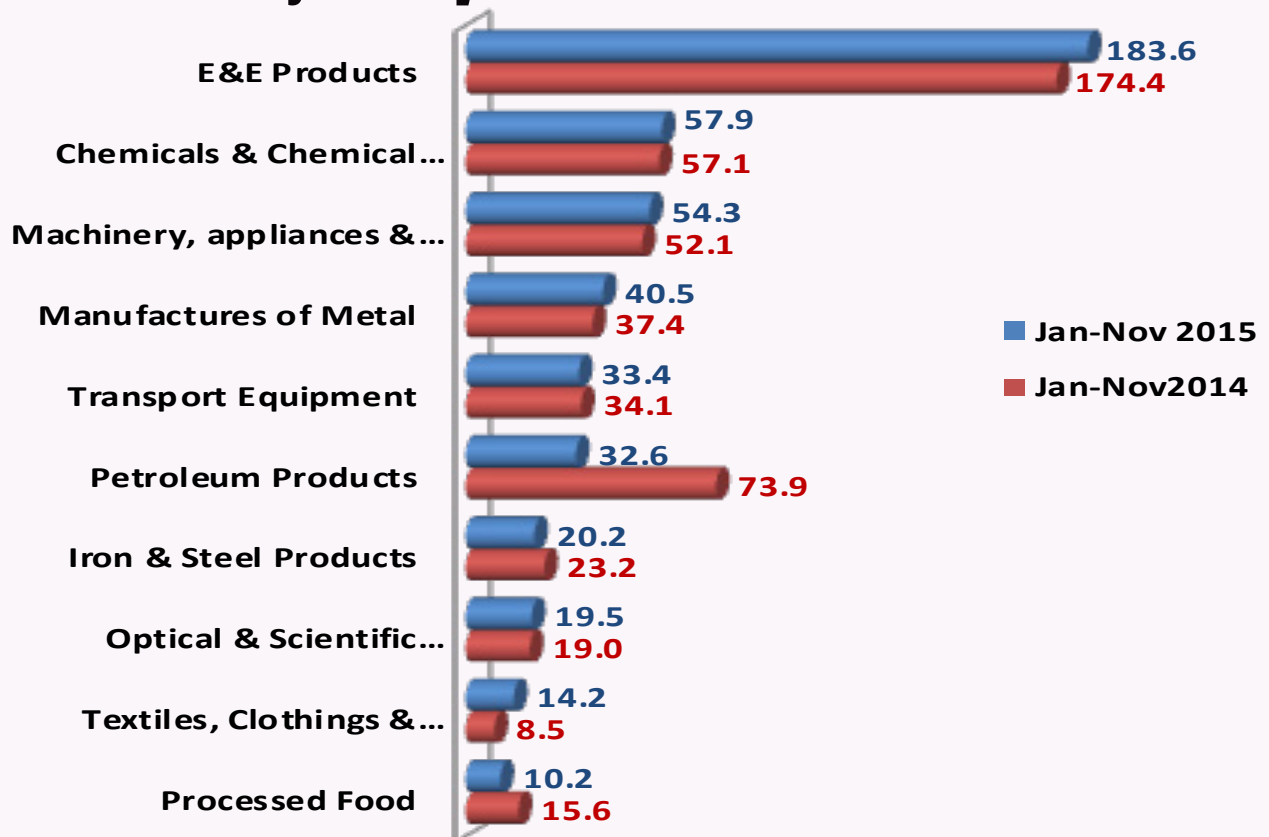
Total Trade January - November 2015



Malaysia's Major Export Products to ASEAN, January - November 2015



Malaysia's Major Import Products from ASEAN, January - November 2015





'ASEAN and You'

ASEAN Special Committee Meeting (Part 2)

Strategic Measures of Respective Sectoral Bodies

TRADE IN GOODS

STRATEGIC MEASURES



- 1 Strengthen ATIGA further – commitments in the ATIGA will be reviewed and refined to enhance ASEAN centrality, strengthen ATIGA's notification process, eliminate barriers.
- 2 Simplify and Strengthen the Implementation of the Rules of Origin (ROO) – streamline origin criteria, business friendly and trade facilitative.
- 3 Accelerate and Deepen the Implementation of Trade Facilitation Measures – towards convergence in trade facilitation regimes among ASEAN Member States and to move closer to the global best practice.

TRADE IN SERVICES

STRATEGIC MEASURES



- 1 Review existing flexibilities, limitations, thresholds and carve-outs, as appropriate.
- 2 Enhance mechanisms to attract FDI in the services sectors, including but not limited to foreign equity participation to support global value chain activities.
- 3 Explore alternative approaches for further liberalisation of services.
- 4 Establish possible disciplines on domestic regulations to ensure competitiveness of the services sector.
- 5 Enhance technical cooperation in the services sector for human resource development (HRD), joint promotion activities to attract FDI in the services sector, and the exchange of best practices.
- 6 Expand and deepen commitments under the ASEAN Agreement on MNP where appropriate.

INVESTMENT

STRATEGIC MEASURES



- 1 Complete the built-in agenda of the ACIA, including the effective implementation of the modality on the elimination or improvement of investment restrictions and impediments, thresholds and carve-outs, as appropriate.
- 2 Identify appropriate approaches or mechanisms to the phasing out and/or reduction of the ACIA Reservation Lists.
- 3 Continue to undertake and, where necessary, enhance the Coordinating Committee on Investment (CCI) Peer Review Mechanism.
- 4 Continue to undertake joint promotion of ACIA, as well as of ASEAN as an investment destination.

FINANCE

STRATEGIC MEASURES



- 1 Strengthen financial integration to facilitate intra-ASEAN trade and investment by increasing the role of ASEAN indigenous banks, having more integrated insurance markets, and having more connected capital markets.
- 2 Financial liberalisation will be undertaken with greater regulatory cohesiveness to keep requirements for regulatory compliance to a minimum to reduce costs, while remaining prudent.
- 3 Further commit to liberalise financial services sector through the ATISA, which will serve as a platform to link financial markets within the region and with ASEAN Dialogue Partners.
- 4 Promote financial inclusion to deliver financial products and services to a wider community that is under-served, including MSMEs.
- 5 Ensure financial stability through the continuous strengthening of regional infrastructure, particularly in times of regional stress.

TAXATION

STRATEGIC MEASURES



- 1 Concerted efforts to support the completion and improvement of network of bilateral tax agreements to address the issues of double taxation, and work towards the enhancement of withholding tax structure, where possible, to promote the broadening of investor base in ASEAN debt issuance.
- 2 Improve the implementation of exchange of information in accordance with international standards.
- 3 Discuss measures to address the issue of base erosion and profit shifting to ensure fiscal health.
- 4 Explore the possibility of global taxpayers' identification number to improve tax collection and enhance monitoring of transactions.
- 5 Explore the possibility of collaboration in excise taxation and information sharing among members on common excisable products.

COMPETITION POLICY

STRATEGIC MEASURES



- 1 Establish effective competition regimes by putting in place competition laws for all remaining ASEAN Member States.
- 2 Strengthen capacities of competition-related agencies in ASEAN Member States by establishing and implementing institutional mechanisms.
- 3 Establishing platforms for regular exchange and engagement, encouraging competition compliance and enhanced access to information for businesses.
- 4 Establish Regional Cooperation Arrangements on competition policy and law by establishing competition enforcement cooperation agreements.
- 5 Achieve greater harmonisation of competition policy and law in ASEAN by developing a regional strategy on convergence.
- 6 Ensure alignment of competition policy chapters that are negotiated by ASEAN under the various FTAs with Dialogue Partners.
- 7 Continue to enhance competition policy and law in ASEAN taking into consideration international best practices.

.....to be continued

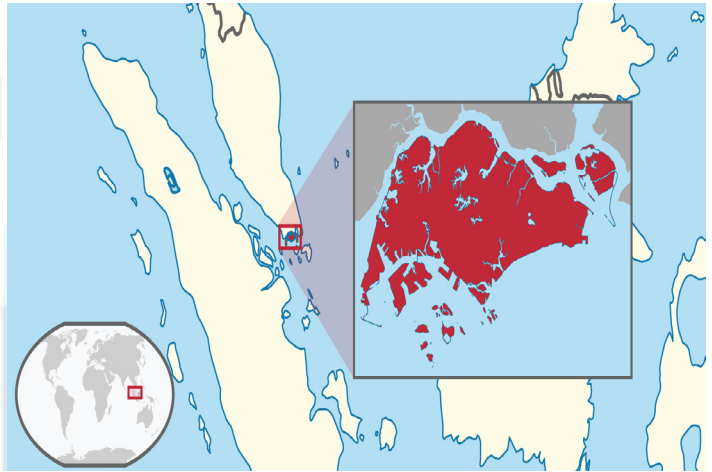


International Report

Singapore ECONOMIC INDICATORS



2015



National Accounts

Adv GDP
up 2.0% in
4Q2015

Prices

CPI
down 0.8% in
Nov 2015

Population

total population
5.54 million in Jun 2015

Services

retail sales
up 4.7% in
Nov 2015

Trade

total merchandise
trade down 8.4%
in Dec 2015

Labour

employment
3.64 million
in Sep 2015

Marriages

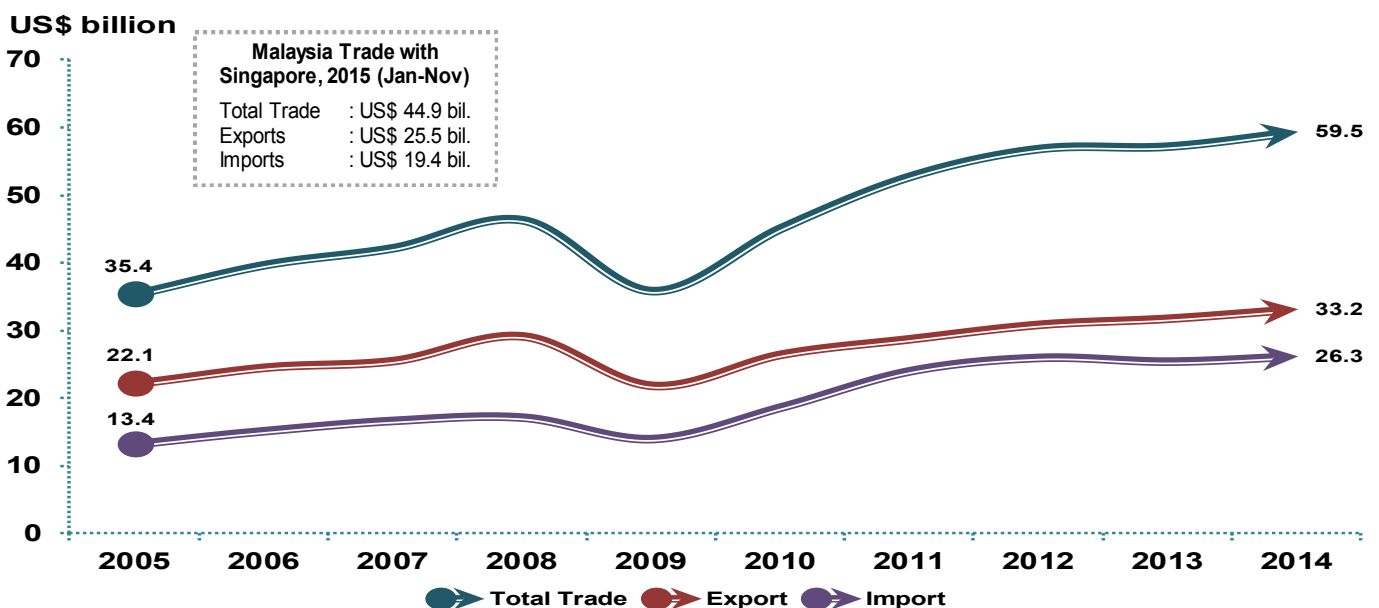
total marriages
28,407 in 2014

Manufacturing

index of industrial
production down
5.5% in Nov 2015

Source : <http://www.singstat.gov.sg/>

Malaysia's Trade with Singapore, 2005 - 2014



Source : Department of Statistics, Malaysia

DID YOU KNOW?

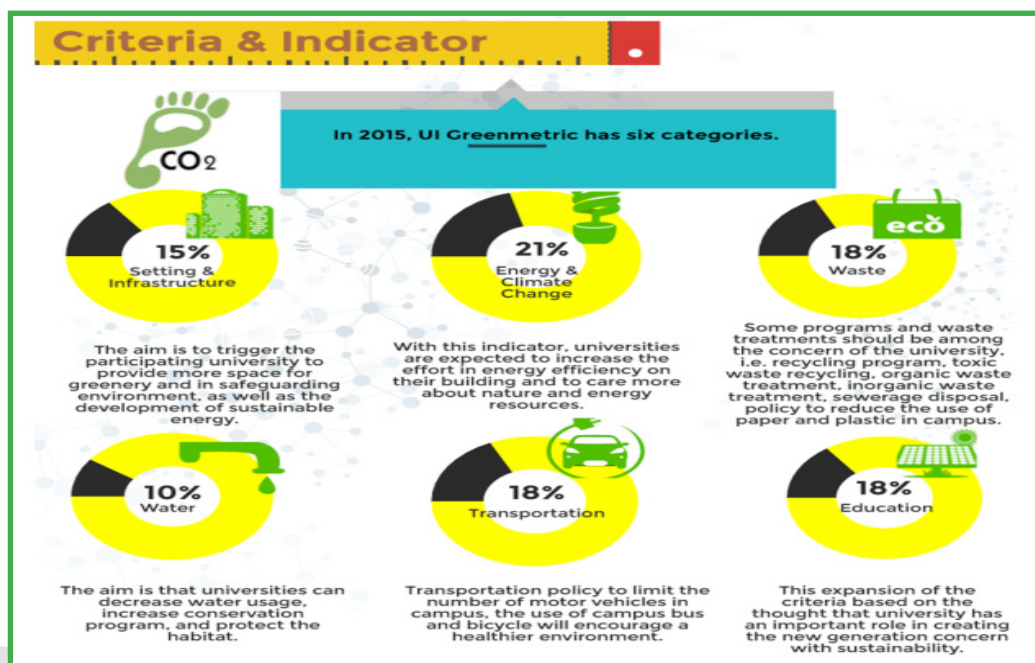
UI Greenmetric World University Ranking 2015

Top 10 Rankings

University of Nottingham UK 1	University of Connecticut USA 2	University of California USA 3	University College Cork Ireland 4	University of Oxford UK 5
University of California USA 6	University of North Carolina USA 7	University of Bradford UK 8	University de Sherbrooke Canada 9	Northeastern University USA 10

Top Five University Rankings for Select ASEAN Members

 Malaysia	 Thailand	 Indonesia	 Philippines	 Singapore
Rank University 17 Universiti Putra Malaysia 45 Universiti Utara Malaysia 65 Universiti Malaya 106 Universiti Tunku Abdul Rahman 110 Universiti Kebangsaan Malaysia	Rank University 30 Chulalongkorn University 52 Suranaree University of Technology 54 Kasetsart University 61 Mahasarakham University 71 Mahidol University	Rank University 33 Universitas Indonesia 36 Institut Pertanian Bogor 44 Universitas Diponegoro 63 Universitas Negeri Semarang 97 Universitas Sebelas Maret	Rank University 50 De La Salle University 267 Mindanao State University Iligan Institute of Technology 280 Xavier University Ateneo de Cagayan	Rank 23 National University of Singapore



Source : <http://greenmetric.ui.ac.id/overall-ranking-2015/>

Number and Value of Preferential Certificates of Origin (PCOs)

Number of Certificates (Provisional data)

	6 Dec 2015	13 Dec 2015	20 Dec 2015	27 Dec 2015	31 Dec 2015	10 Jan 2016	17 Jan 2016	24 Jan 2016
AANZFTA	683	863	518	516	812	1,065	929	817
AIFTA	656	732	649	411	672	613	646	626
AJCEP	169	178	205	72	247	244	217	208
ATIGA	4,552	4,782	3,995	2,891	3,873	4,100	4,570	4,368
ACFTA	1,659	1,673	1,541	989	1,555	1,432	1,383	1,136
AKFTA	935	770	772	573	691	820	865	861
MICECA	302	280	239	224	277	287	284	289
MNZFTA	8	18	1	2	3	12	13	7
MCFTA	34	60	39	16	44	71	66	36
MAFTA	424	449	281	294	326	570	463	489
MJEPA	875	674	647	528	913	836	898	758
MPCEPA	122	197	169	106	145	139	177	167
GSP	93	166	104	94	103	134	165	100
MTFTA	222	174	163	120	187	282	196	148

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)

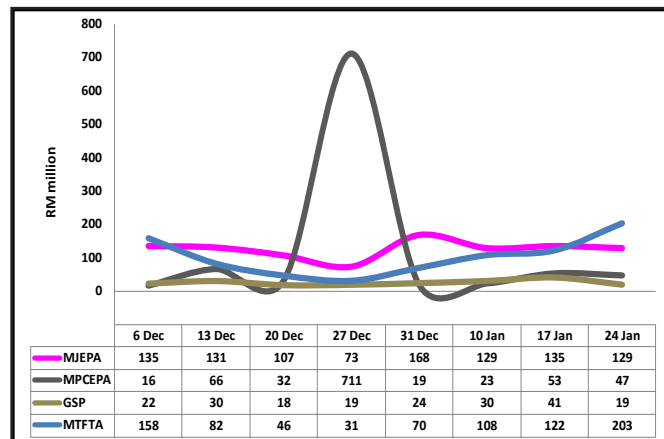
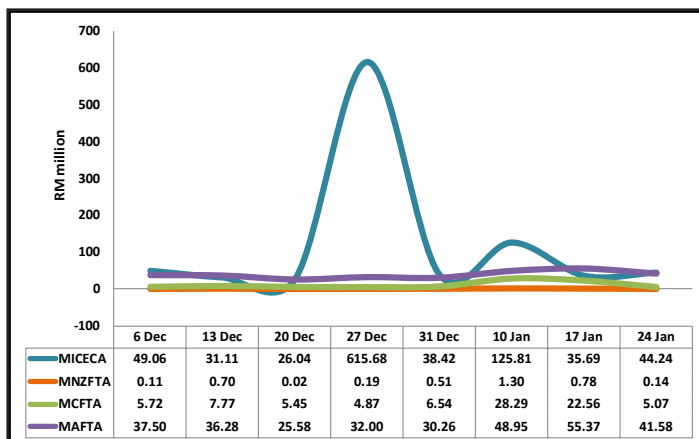
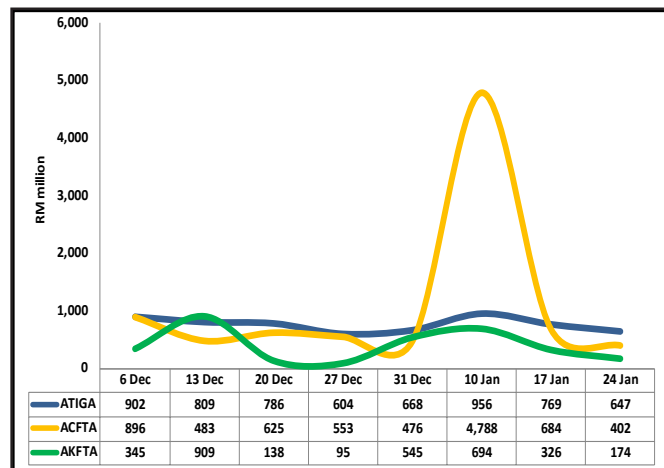
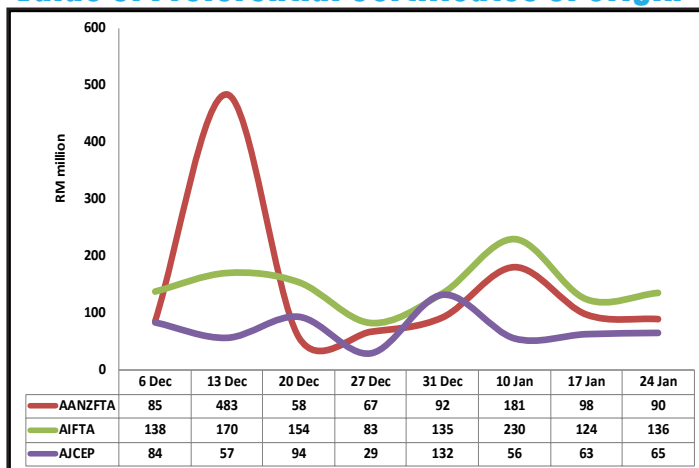


MAFTA: Malaysia-Australia Free Trade Agreement (Implemented since 1 January 2013)



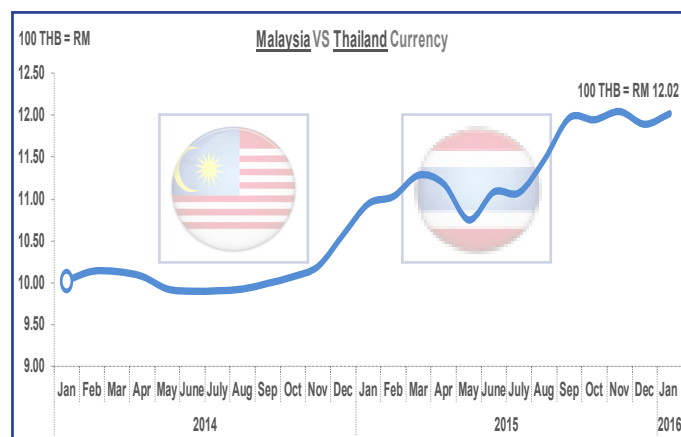
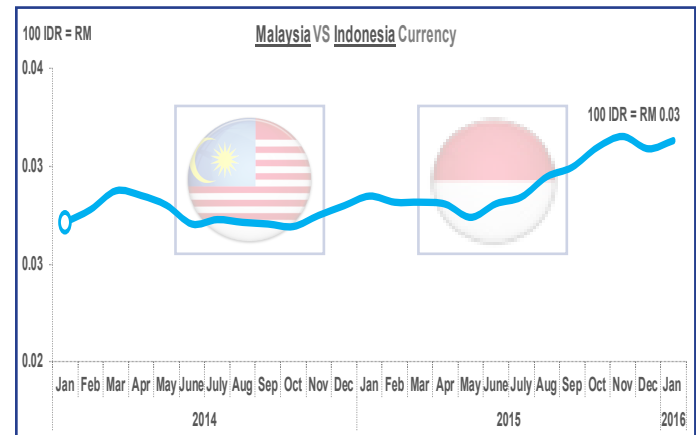
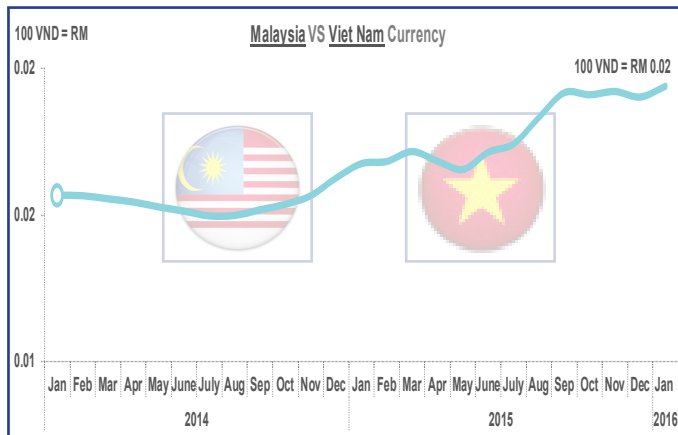
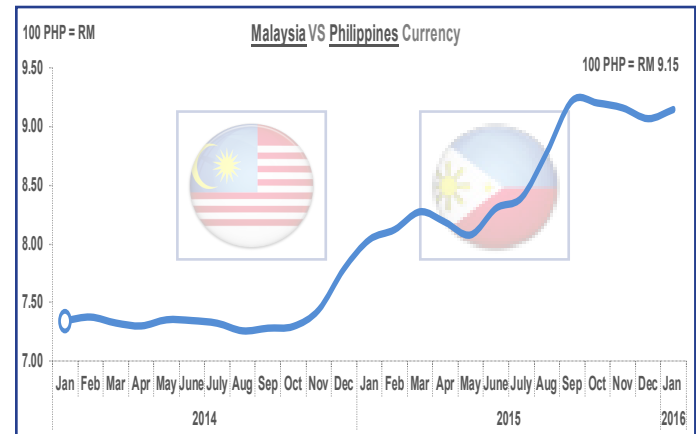
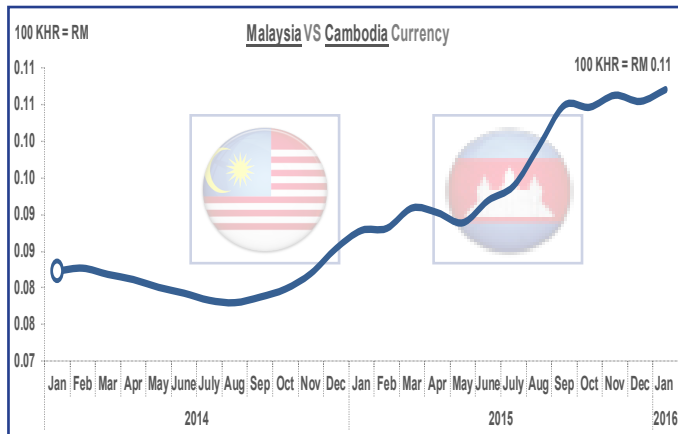
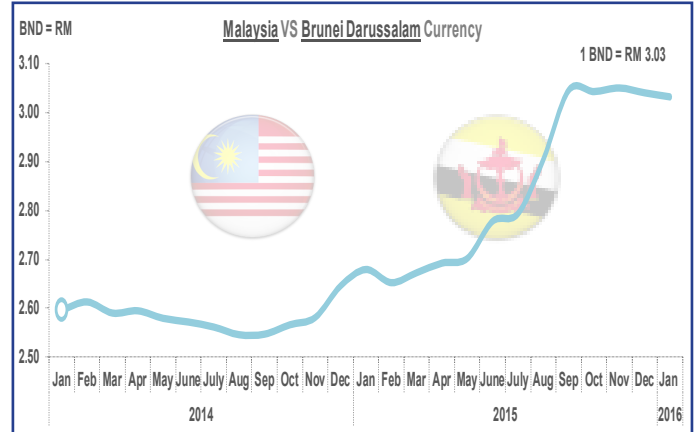
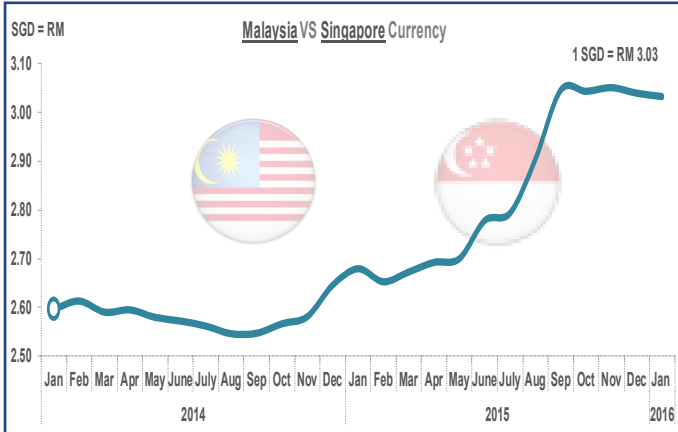
MTFTA: Malaysia-Turkey Free Trade Agreement (Implemented since 1 August 2015)

Value of Preferential Certificates of Origin

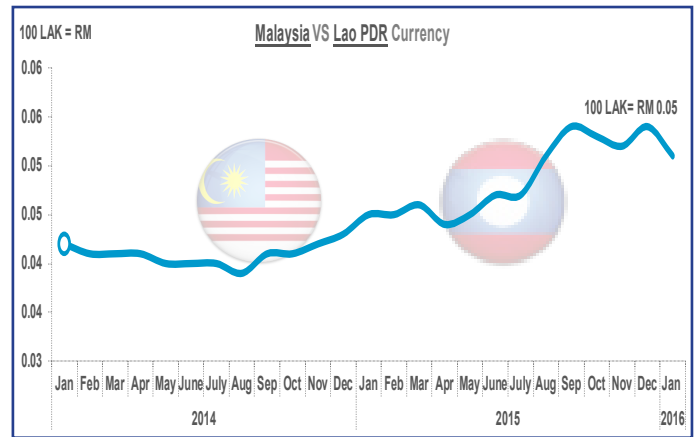
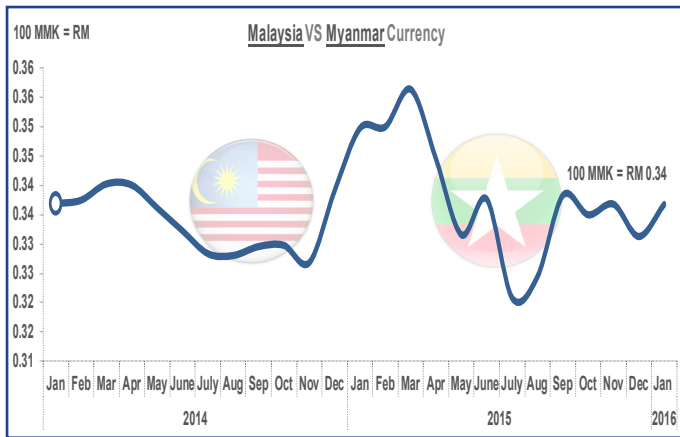


Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with ASEAN Members Currency

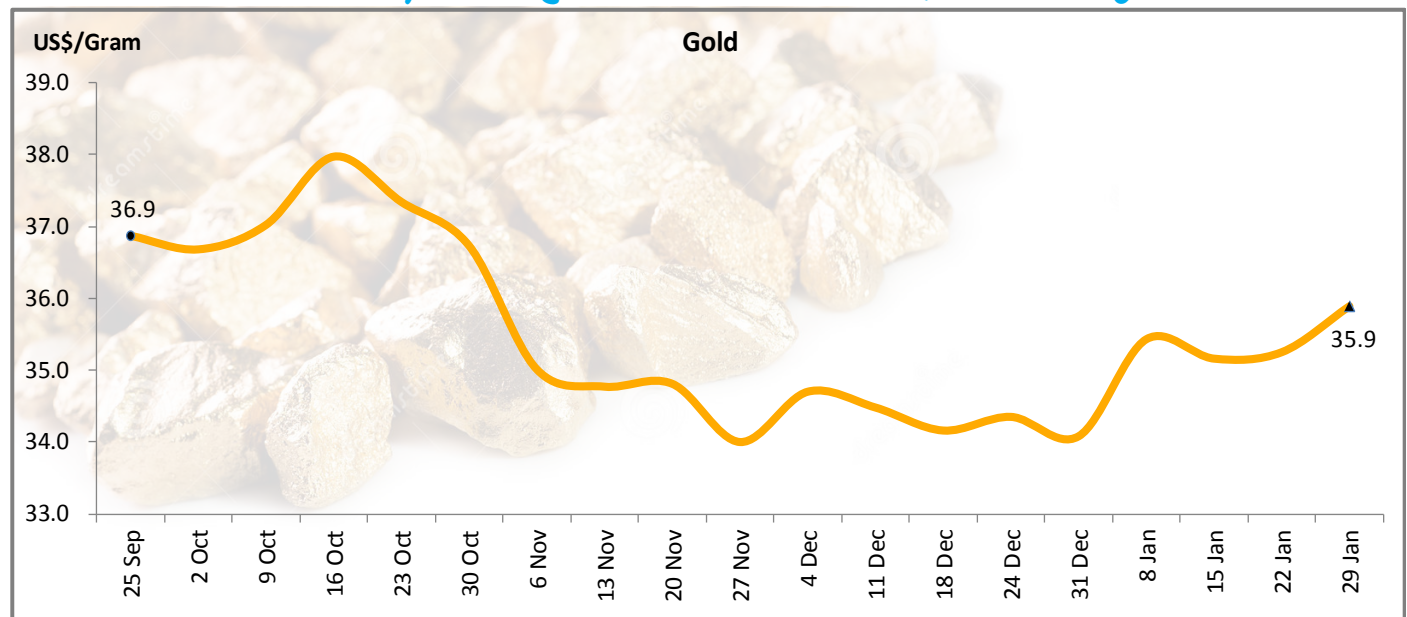


Source : Bank Negara Malaysia



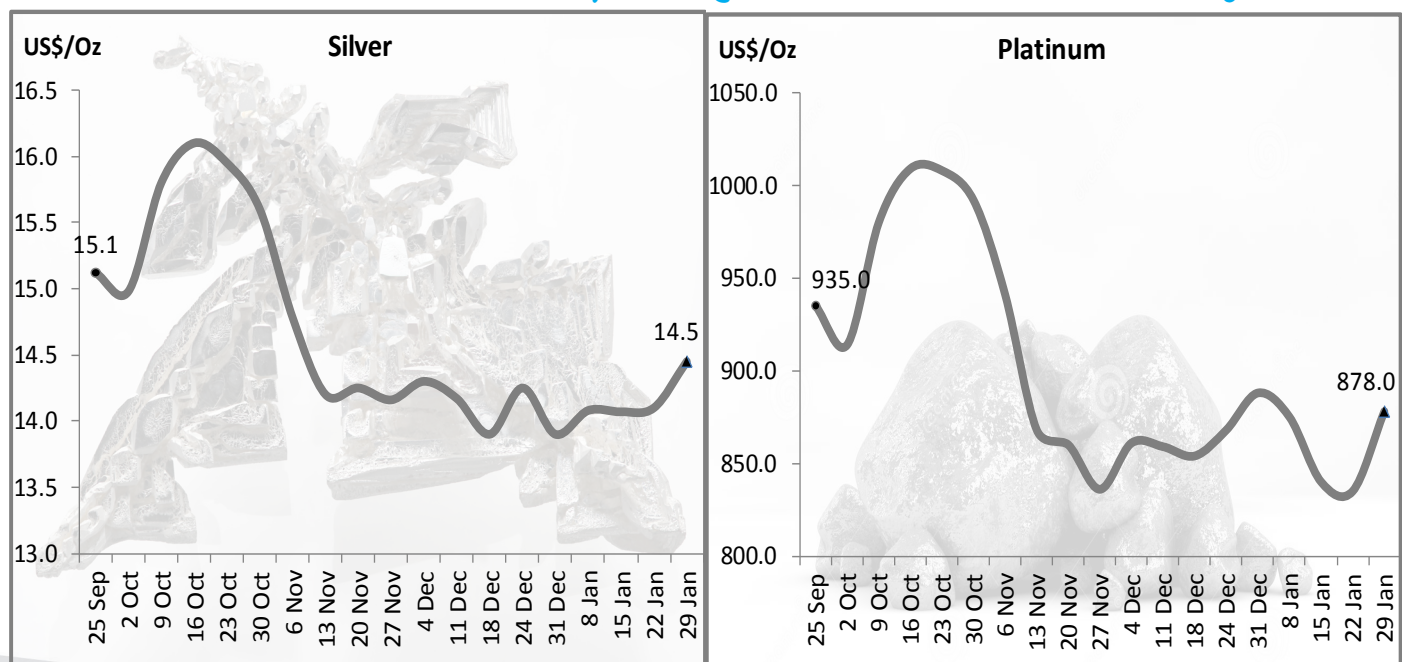
Source : Bank Negara, Malaysia

Gold Prices, 25 September 2015 - 29 January 2016



Source : http://www.gold.org/investments/statistics/gold_price_chart/

Silver and Platinum Prices, 25 September 2015 - 29 January 2016



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

Commodity Prices



Commodity	Crude Petroleum (Brent) (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)
29 Jan 2016 (US\$)	32.8	566.5	13.6	1,087.0	1,940.6	47.4	200 (high) 170 (low)
% change*	↑ 1.9	↑ 3.8	↓ 5.6	↓ 2.8	↓ 1.0	↓ 0.5	unchanged unchanged
2015 ⁱ	36.9 - 66.8	616.9	13.2	1,364.3	2,077.0	49.9	239.6
2014 ⁱ	59.5 - 114.8	823.3	16.6	1,718.3	2,615.8	59.8	370.0

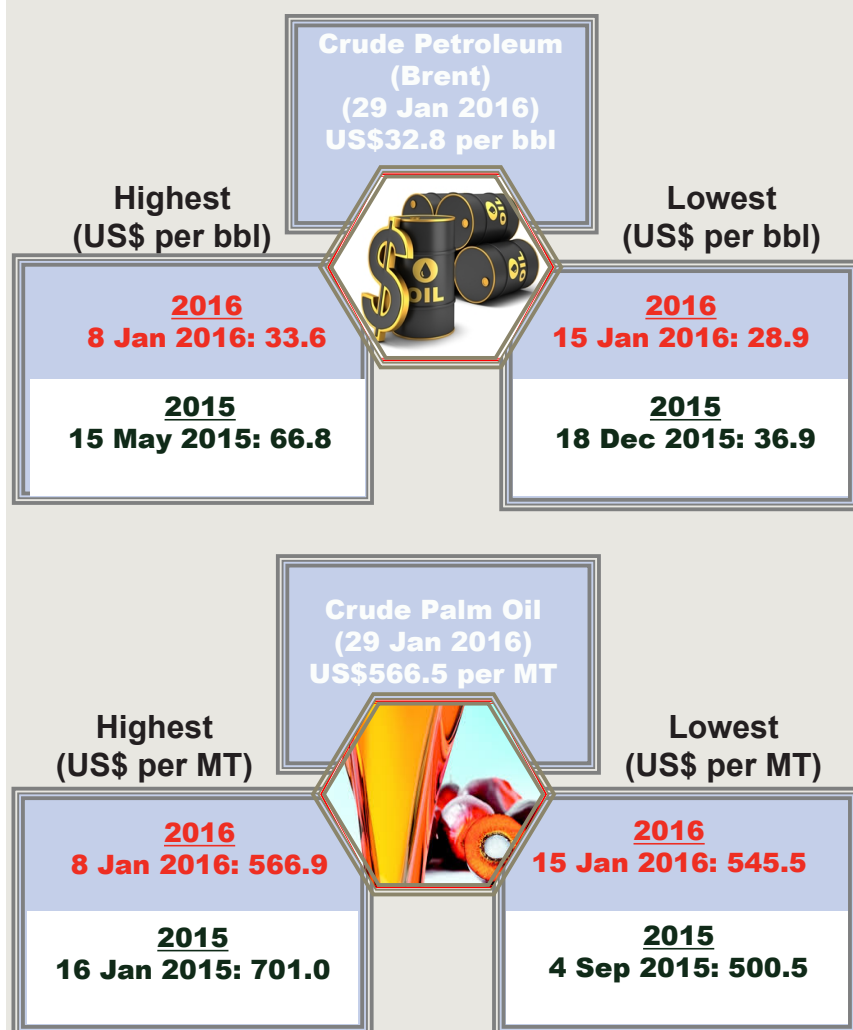
Notes: All figures have been rounded to the nearest decimal point

* 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, 2015/2016

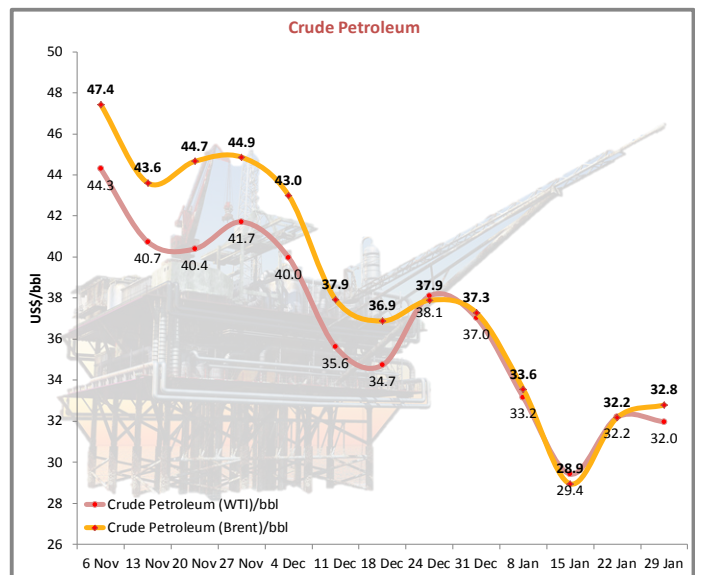
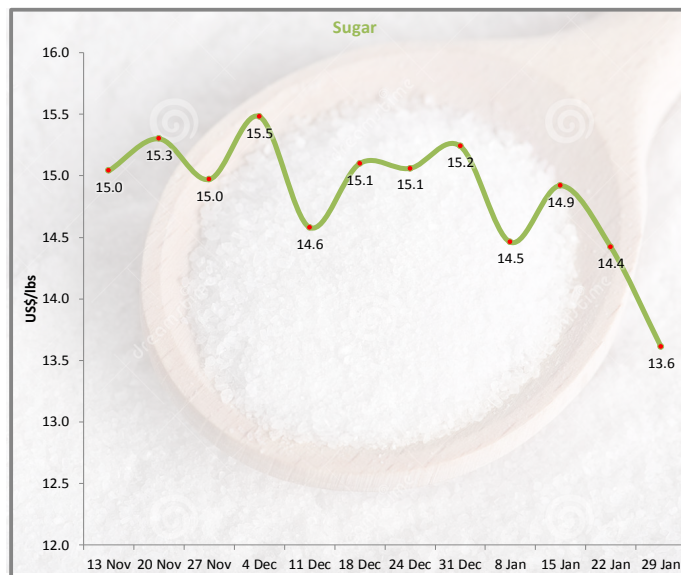
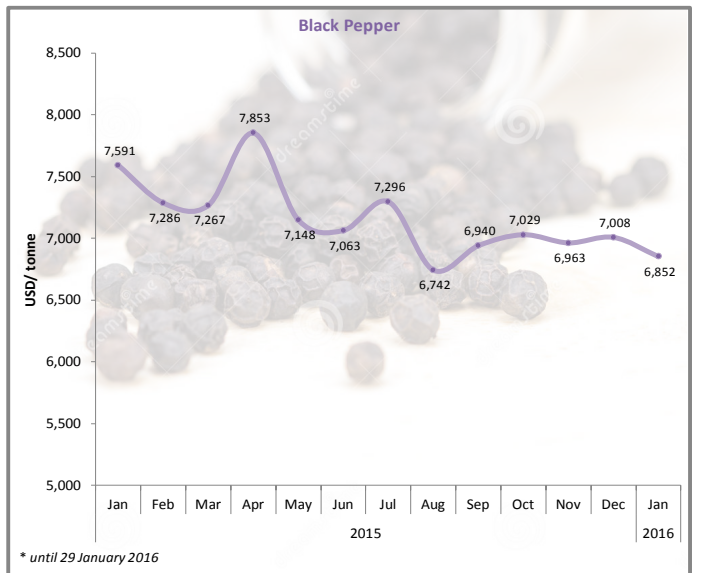
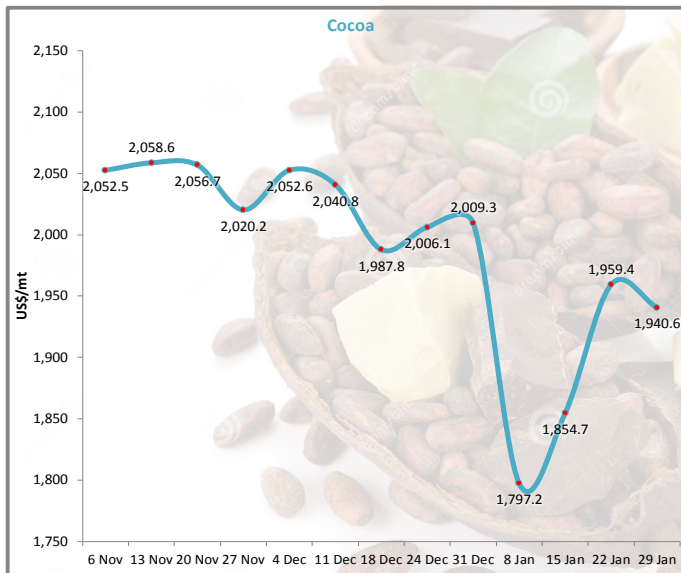
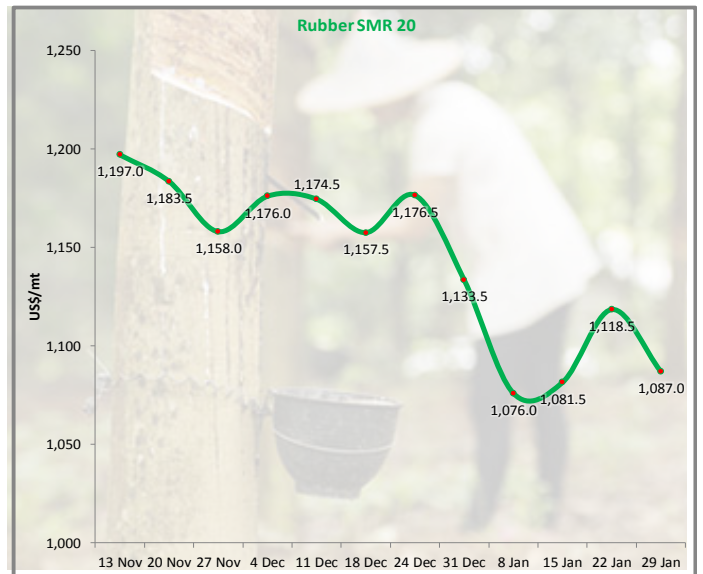
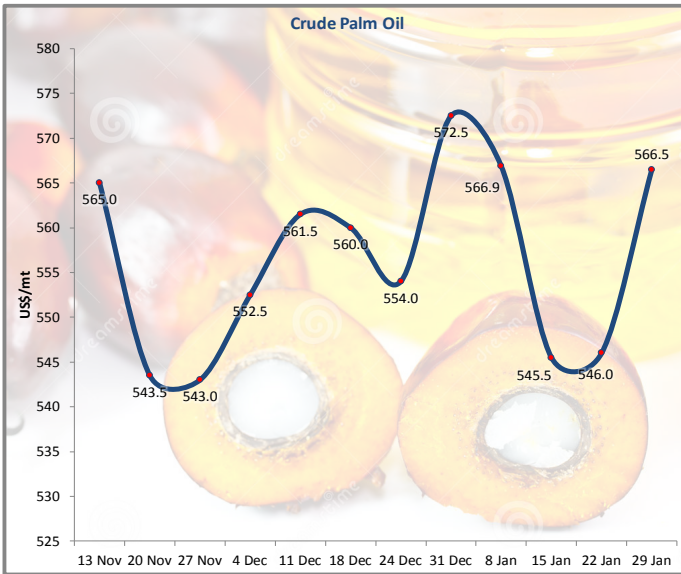


Average Domestic Prices, 2 Feb 2016



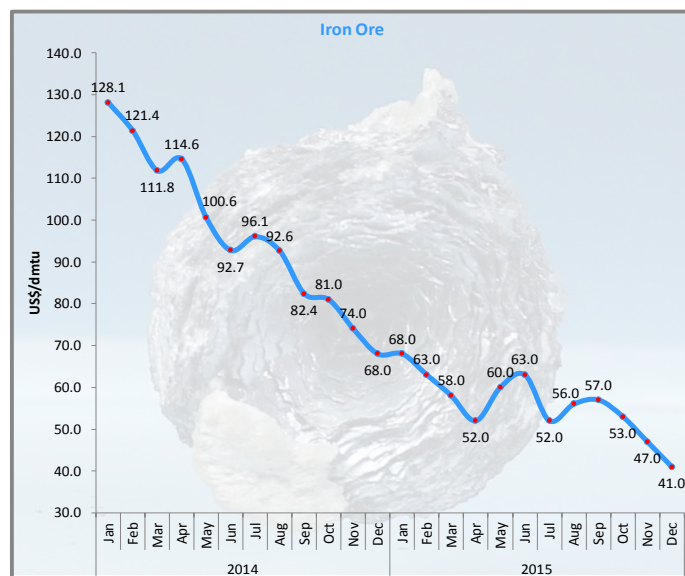
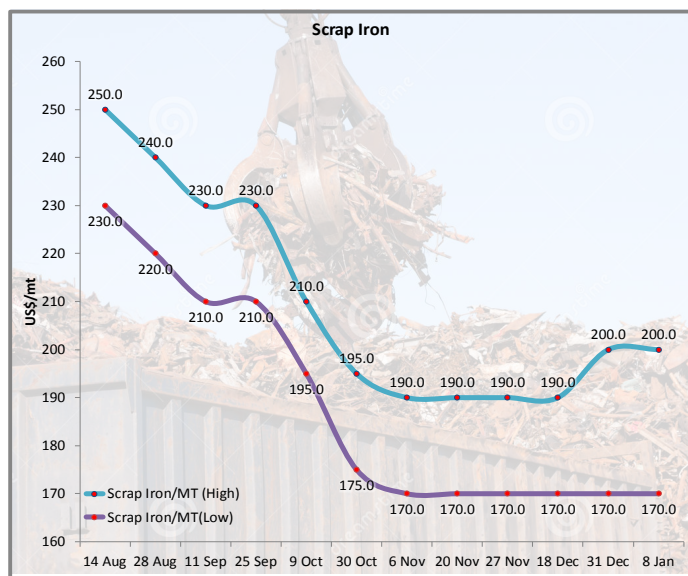
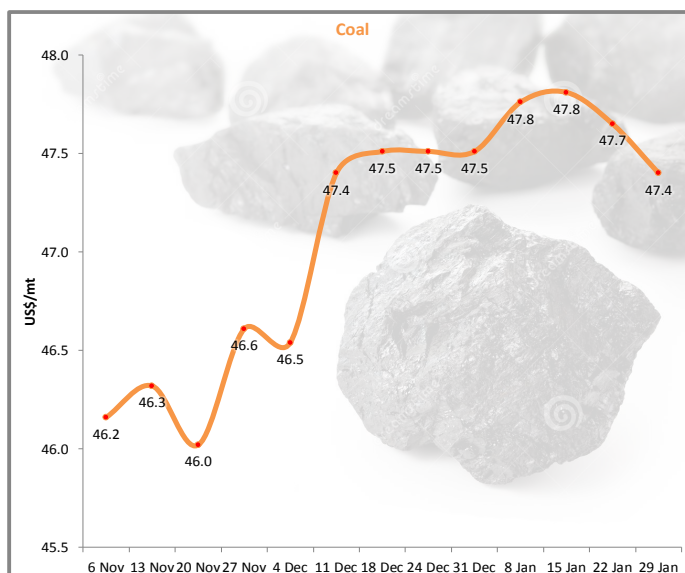
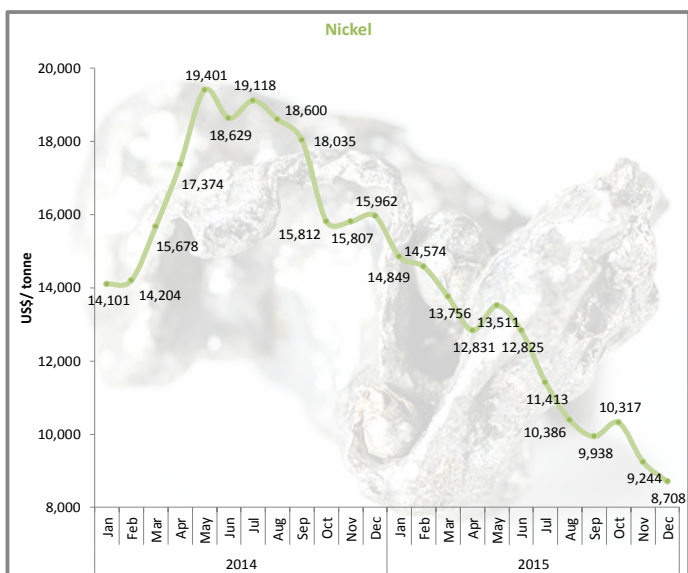
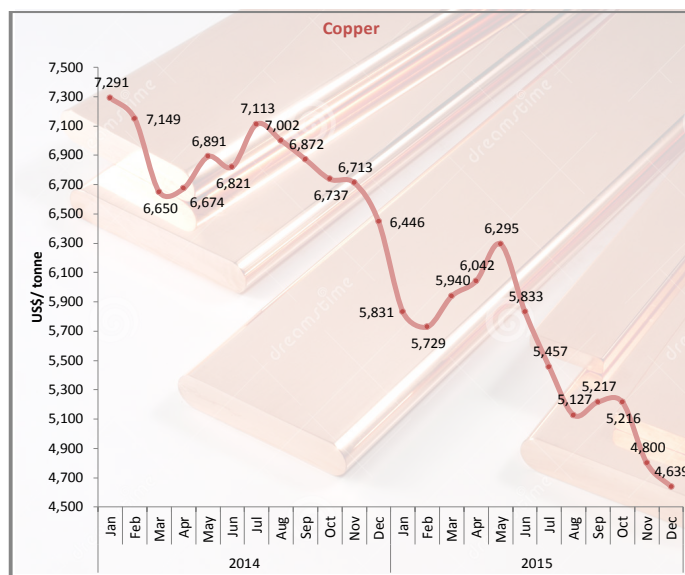
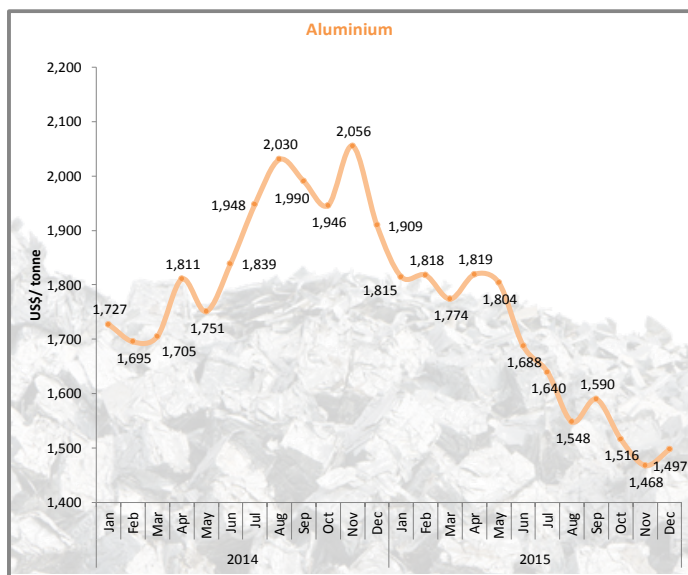
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

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.

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.

FUELLED BY PASSION FOR GREEN SOLUTIONS

“All hard knock experiences will eventually lead to success,” says Ms. Ooi Suan Kim, Chairman of Builders Biomass.



This conviction has sustained her through some of the major challenges in the company's growth. An integrated bio-energy solutions provider, Builders Biomass manufactures solid biofuel, biomass products, and provides related technological services. “During the course of building up the business, perhaps the most significant challenge was in the research and development (R&D) stage as Malaysian biomass is varied in its inherent properties, biological behaviour, characteristics and texture,” she says.

Nevertheless, Builders Biomass took the challenge and turned it into an opportunity by formulating and perfecting its patented award-winning BiOEn technology and biomass pellets. Since its establishment in 2010, the company has exported hundreds of thousands metric tonnes of BiOEn solid biofuel globally with its primary export market being Asia, namely Korea, China, Japan and

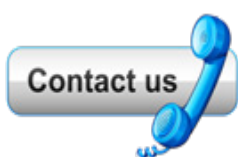
Singapore. However Ms. Kim noted that when they were starting out, market acceptance was a hurdle they had to overcome. “Asian markets were still struggling with implementation and changing guidelines for biomass imports as legislation was still new,” she explains.

Fortunately, the tide turned in the company's favour in 2011 when oil and gas prices began to increase. This had compelled more users to convert their fuel needs to biomass pellets and Builders Biomass was able to grow their business from there on. Sales revenue has been increasing by leaps and bounds over the years and as of 2013, the company managed to garner a sizable share in the Korean market. Today, the European Union (EU) also makes up a small percentage of its market although high shipping costs make it impractical to grow their market in the EU region for now.

Builders Biomass has been awarded a number of accolades including the Prime Minister's Best Innovation Award in Green Technology 2014, GreenTech Industry Award by the Ministry of Energy, Green Technology and Water (KETTHA) and the Malaysia Greentech Awards. The company also received awards as the Top 10 National Women Entrepreneurs 2014, and at the 10th Asia Pacific International Entrepreneur Excellence Awards. In addition, the company has been featured in the Sustainable Development Solutions Network Success Stories of Malaysia and in a number of international industry publications including Alternate Energy Mag, Environmental Expert, and Bioenergy International. Builders Biomass has also advised in the areas of Sustainability Assessment of Biomass Utilisation in East Asian Countries to the Economic Research Institute For ASEAN and East Asia, which provides guidance to Heads of States and policy decision makers.

The company's accomplishment is commendable given that Biomass Builders is only in its fifth year of operation and that the growth thus far has been internally funded.

“We wanted to prove ourselves with a solid track record before considering other forms of financing. New green technologies can appear exciting theoretically, but have to be proven with high quality results, cost efficiency and most importantly, in market acceptance,” she says. Ms. Kim believes that with Builders Biomass business modelled upon the 3Ps of sustainability namely, people, planet and profit, the company's targeted growth over the coming years is realisable.



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Announcement

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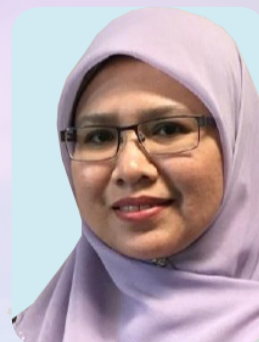
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