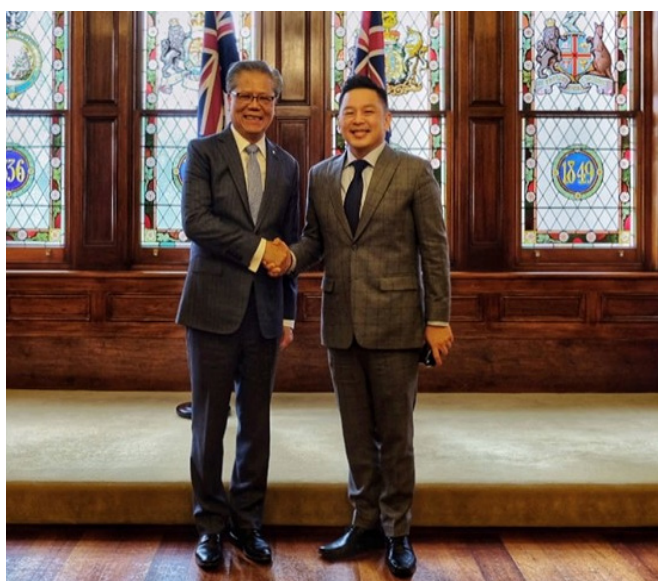


Trade and Investment Mission to Australia 19-23 August 2019



YB Datuk Darell Leiking, Minister of International Trade and Industry will be leading a Trade and Investment Mission (TIM) to Australia from 19 – 23 August 2019. The Mission comprises officials from the Ministry of International Trade and Industry (MITI), Malaysian Investment Development Authority (MIDA), Malaysia External Trade Development Corporation (MATRADE), Malaysia Automotive, Robotics and IoT Institute (MARII), InvestKL Corporation and EXIM Bank.

During the mission, Minister Darell is scheduled to meet with top officials from the Federal Government of Australia as well as senior officials from the State Government of South Australia and Victoria. Minister Darell will also be meeting The Hon. Andrew Barr, Chief Minister of Australian Capital Territory in Canberra. In conjunction with this TIM, the 18th Joint Trade Commission (JTC) Meeting will be held on 20th August 2019 which will be cochaired by Minister Darell and his counterpart from Australia, The Hon. Simon Birmingham, Minister of Trade, Tourism and Investment. The objective of this meeting is to discuss on the bilateral trade and investment issues as

well as opportunities for further collaboration in strengthening bilateral trade and investment for both countries.

Minister Darell and the delegates will also be visiting University of South Australia (UniSA), Mawson Lakes Campus. The visit will provide insights on UniSA Industry 4.0 Lab Space and MARII's projects; the Light Weight Plastic Glazing Project and the Hard Coating Project (flow coating). In addition, Minister Darell will be visiting the Advanced Manufacturing Industry 4.0 Hub, Swinburne University of Technology. This hub, or also known as 'Factory of the Future', made its history by being the first ever fully-immersed Industry 4.0 facility in Australia.

In expanding partnership with private sector, Minister Darell will be interacting with prominent business groups such as Australia-Malaysia Business Council (South Australia Chapter) as well as selected companies in sectors such as food and beverages, healthcare, machinery, Halal hub and Aged Care Centre.

Minister Darell will connect with strategic partners during a seminar on 'Business & Investment Opportunities in Malaysia as Gateway to ASEAN'. He will also be sharing his views with the Australian media during his interview sessions. In 2018, Australia was Malaysia's 11th largest overall global trading partner and largest among Oceania countries. The total trade between both countries was recorded at RM55.13 billion (USD13.11 billion) in 2018 with Malaysia's export to Australia amounted to RM33.55 billion (USD7.98 billion) and imports value totalled at RM21.58 billion (USD 5.13 billion).

In terms of investments, 350 manufacturing projects were implemented with total investment recorded at RM2.79 billion (USD 0.66 billion). These projects had created 22,626 employments in Malaysia. The projects are focused on key sectors such as chemical-based products, petroleum-based products and rubber-based products.

Ministry of International Trade & Industry, 18 August 2019

Automotive Sector To Drive Local Workforce Development

Industry players urged to create space to address foreign labour dependence

The Automotive sector will play an important role in developing required capacities and capabilities of the Malaysian workforce, in line with Industry 4.0, according to Minister of International Trade, Datuk Darell Leiking.

“The automotive sector has long been Malaysia’s catalyst towards creating a critical mass of knowledge workers and skilled labour, as they provide the necessary talent development space in the areas of science, engineering, technology and related technical fields”, the Minister said.

Datuk Darell further explained that the automotive value chain comprises many job functions that provide ample opportunity for high skilled jobs to flourish, such as automotive styling and design, engineering services, manufacturing processes and after sales activities. Countries such as Japan and Korea have successfully transitioned into technological powerhouses in various industries and sectors, through the technical spinoff that were sparked through the continuous support for a local automotive industry.

As at 31st May 2019, the number of documented foreign workers across all sectors amounts up to around 2 million, with 717927 in the manufacturing sector alone. This makes up about 34% of the total foreign workers in Malaysia and is the highest among other sectors (Source: KDN).

According to the Malaysia Automotive, Robotics and IoT Institute (MARii), the automotive industry employs more than 700,000 people, in both manufacturing and aftersales. In 2018 alone, 59,010 new jobs were created within the sector, with more than 5,000 people trained through programmes undertaken by the agency under the purview of MITI.

“The common perception among businesses is the preference to hire foreign workers, as their demand for wages is lower in comparison to the demand from local workers. However, this is highly debatable, as government regulations in hiring employing foreign workers such as visa application, levies and security bonds add more cost to overheads.”

“With the advent of Industry 4.0, the automotive sector is evolving into an ecosystem of smart manufacturing, placing a premium on skills in automated processes, which include elements of robotics, automated guided vehicles, 3D printing, and more”, said Datuk Darell.

Datuk Darell further explained that as the sector moves towards maturation in the adoption of automation, robotics and Industry 4.0-related technologies, even more job opportunities will arise and will need to be filled with talent equipped with higher skills. These jobs should be taken up by Malaysians due to longer term career requirements, and have graduated through skilled based education.

“While the issue of career enhancement, employee development and foreign worker substitution remain an issue that must be addressed holistically as a nation, it should begin with a shift in the mindsets of both employers and the labour force in fulfilling current needs of the industry and future proofing the ecosystem towards Industry 4.0.”

New programmes are currently developed to address the emerging industry demands for Industry 4.0 capabilities, such as the soon to be launched Industry-Led Professional Certificate – Industry4WRD (IPC-Industry4WRD), structured to introduce high-value and skilled workers for the industry.

“While the government, together with its agencies, is working closely with numerous parties towards creating new talent for the automotive sector, I urge all stakeholders to either participate or work with us in the continuous improvement of programmes that allow skills based careers to flourish within the Malaysian economy.”

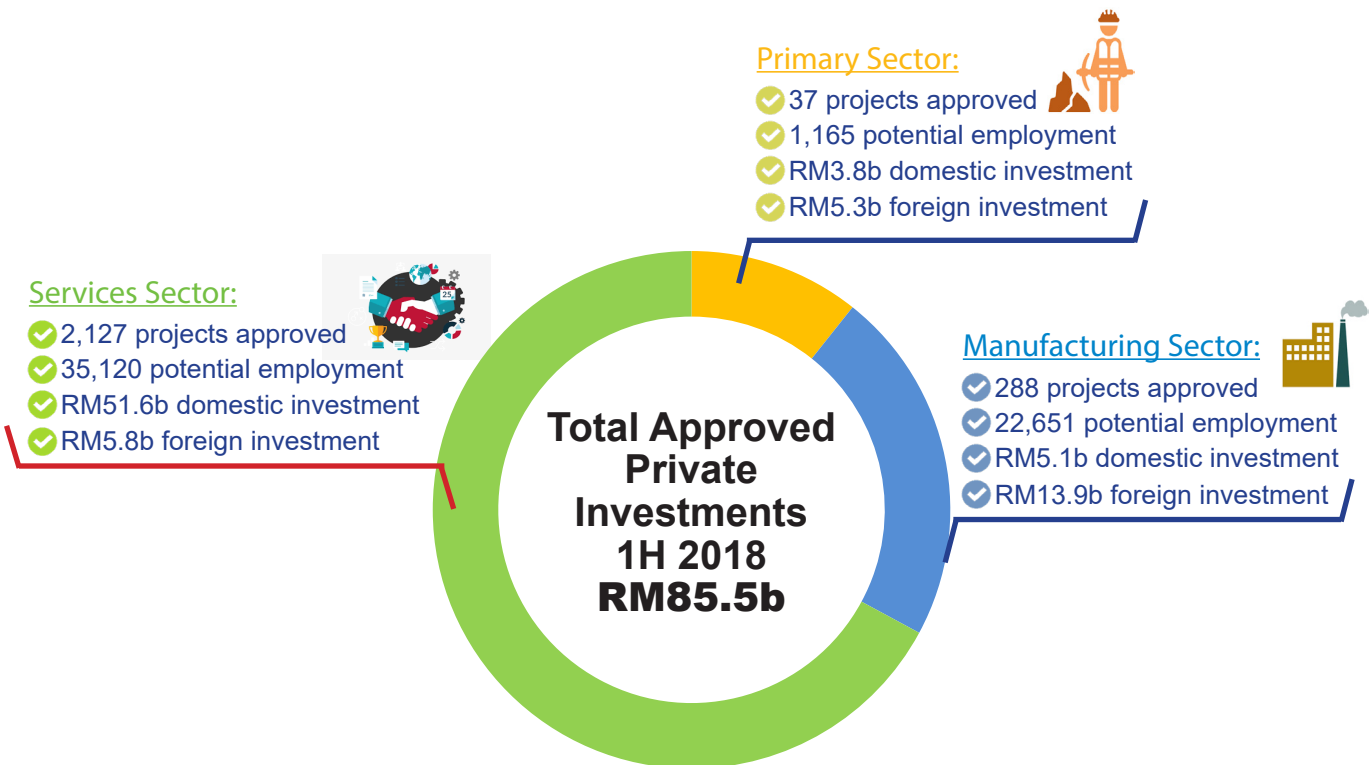
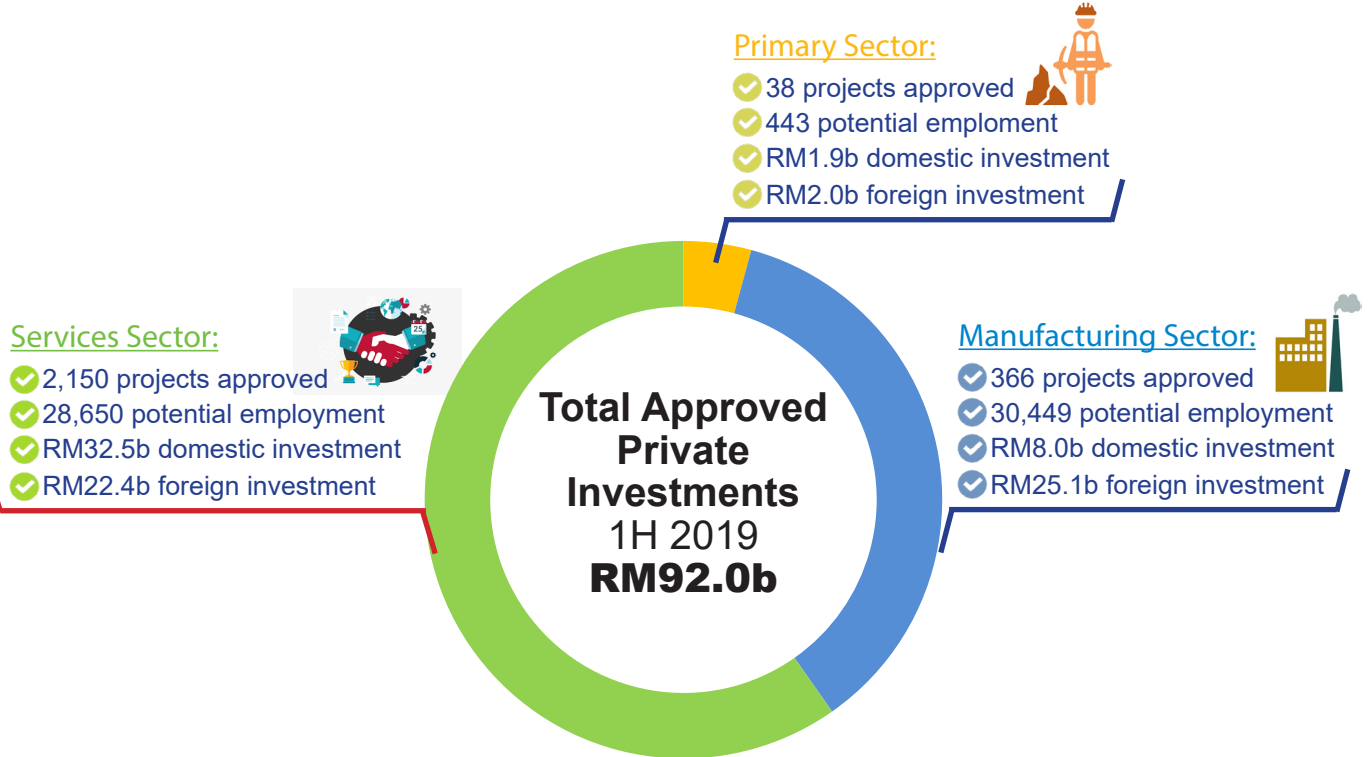
“Companies within the automotive value chain should participate in readiness assessment and intervention programmes that have been structured through the National Policy for Industry 4.0 (Industry4WRD), and work towards creating the space for new Malaysian talent to elevate the competitiveness of the automotive sector as a whole”, concluded Datuk Darell.

Ministry of International Trade and Industry, 27 August 2019

Approved Private Investments

January-June 2019

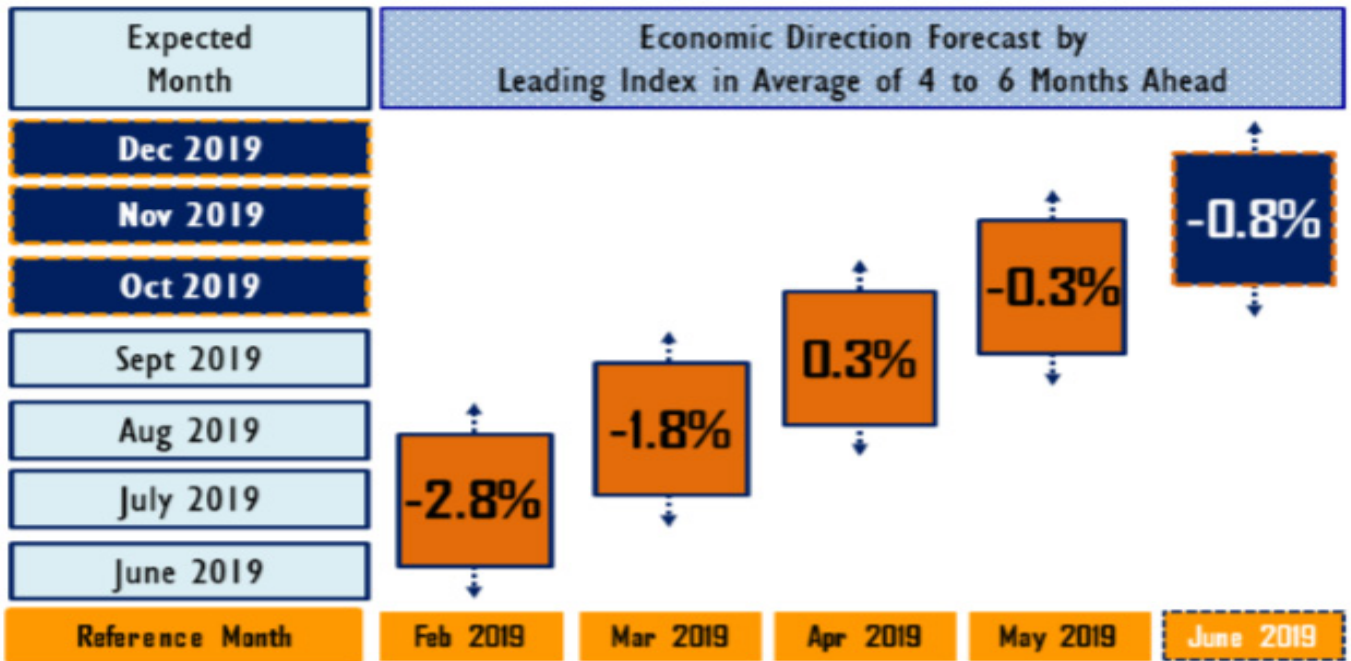
The **services sector** continued to be the cornerstone of the nation's economic growth as it is the **largest contributor** to the total approved investments in 1H 2019.



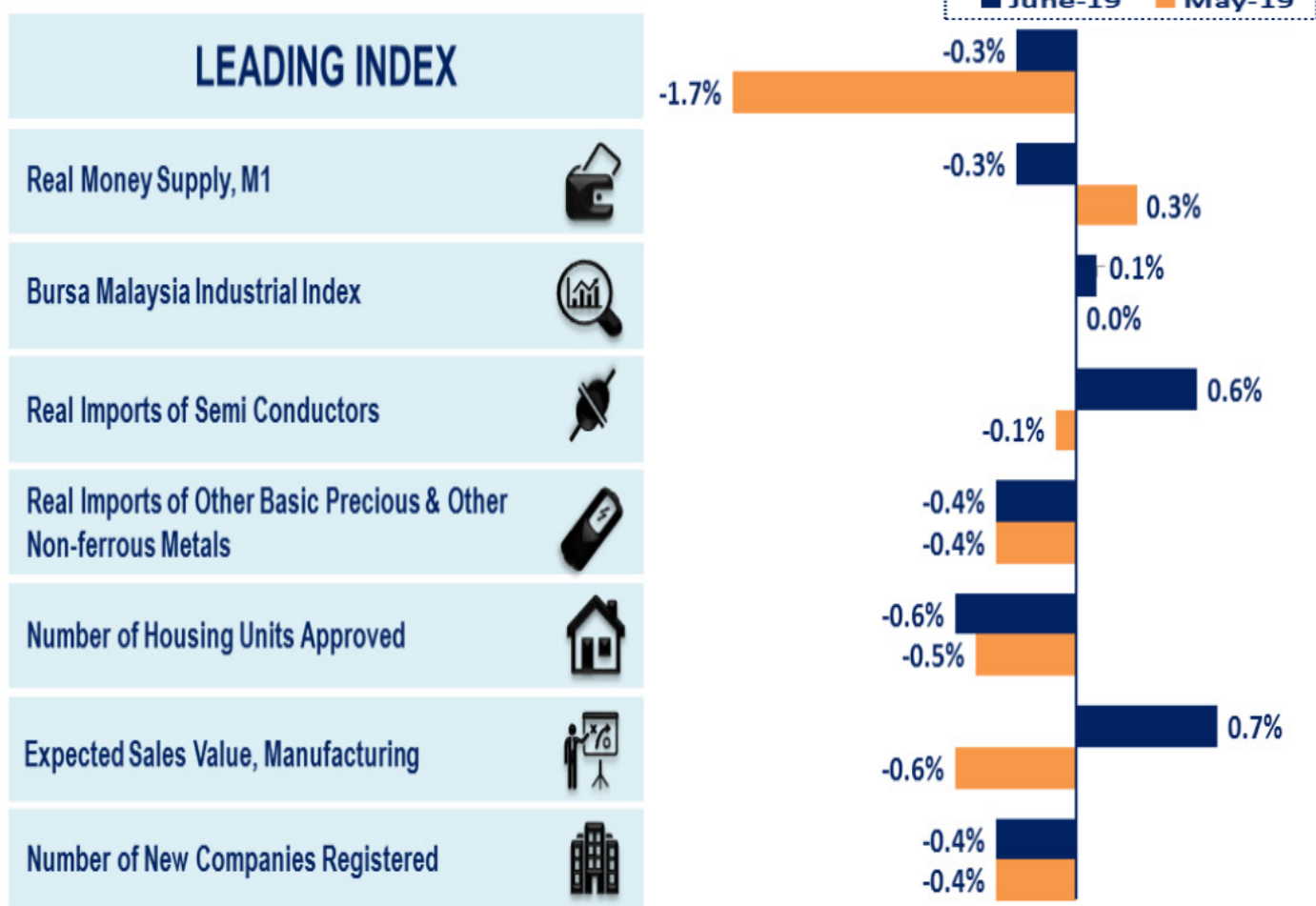
Source: Malaysian Investment Development Authority

Leading Index, June 2019

Leading index indicates that the economy will remain growing

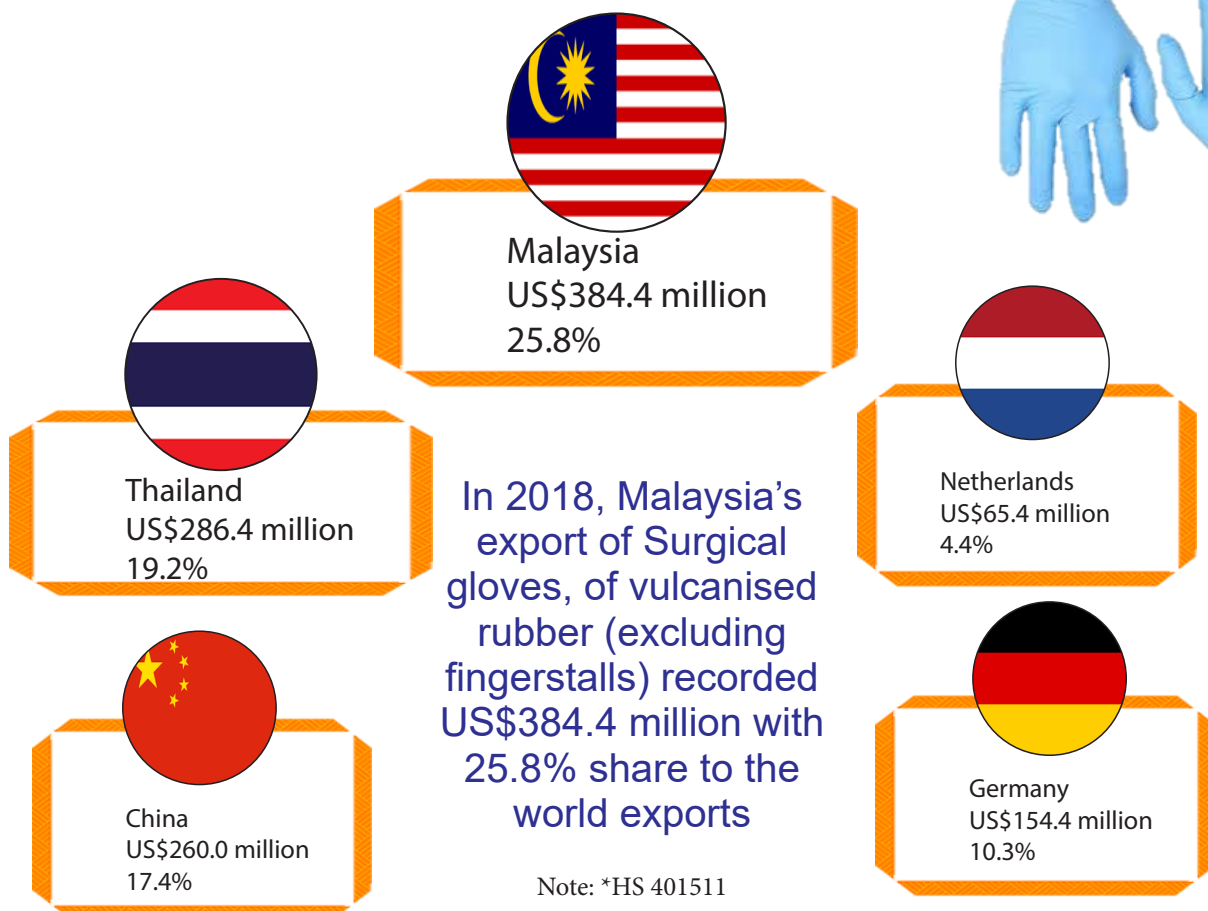


Month on month percentage change by Leading Index Components, June 2019



Source: Department of Statistics, Malaysia

World largest exporters of Surgical gloves, of vulcanised rubber (excluding fingerstalls)



In 2018, Malaysia's export of Surgical gloves, of vulcanised rubber (excluding fingerstalls) recorded US\$384.4 million with 25.8% share to the world exports

Note: *HS 401511



TOP FIVE MALAYSIA EXPORT DESTINATIONS



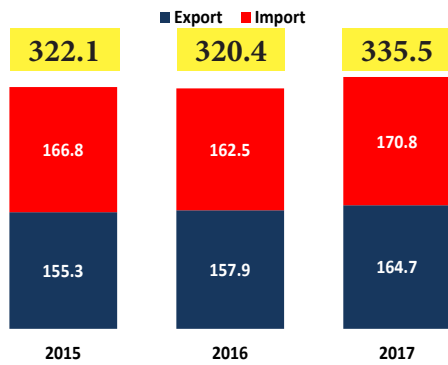
Source: <http://www.trademap.org/index.aspx>



Singapore Economic Indicators at a Glance

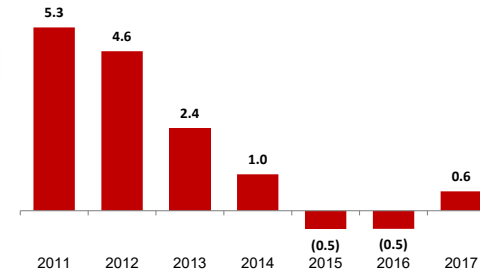


Trade In Services (US\$ billion)



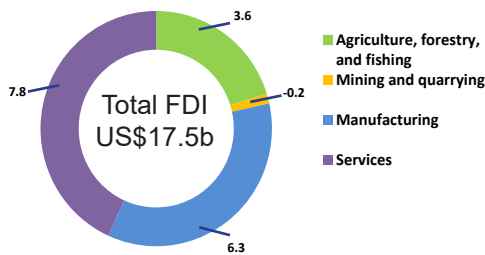
Inflation Rate

Inflation Rate 2011 - 2017 (%)



Foreign Direct Investment

Net FDI Inflows by Sector, 2017 (US\$ billion)



Population

A Fully Integrated Community

Singapore population in 2017 was **5,708,041** which was **0.08%** of the world's population. It has a density of **8,154 persons/km²**.

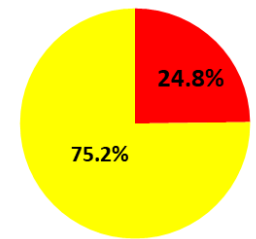


Gross Domestic Product

GDP by Economic Sector, 2017 (%)

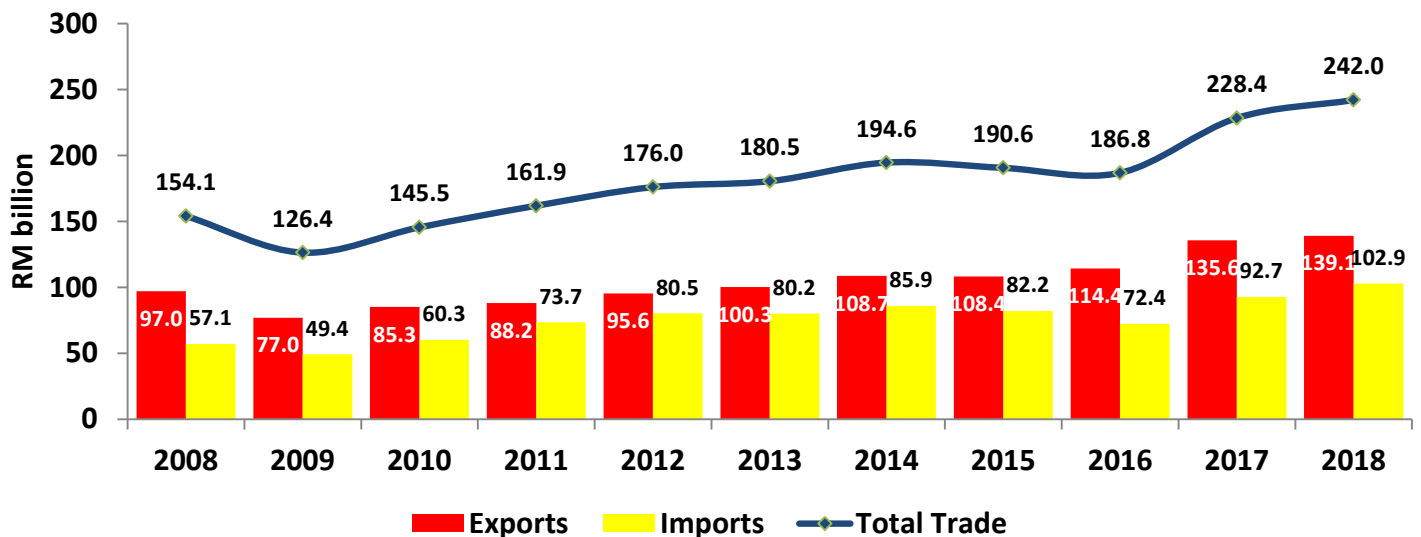
TOTAL GDP: **323.9 billion**

■ Agriculture ■ Industry ■ Services



Sources:
<https://data.aseanstats.org/>
https://theodora.com/wfbcurren/laos/singapore_economy.html
<https://www.worldometers.info/world-population/singapore-population/>

MALAYSIA'S TRADE WITH SINGAPORE, 2008 - 2018



Source: Department of Statistics Malaysia



GLOSSARY

Source: <http://www.miti.gov.my/index.php/glossary>

GATT:

General Agreement on Tariffs and Trade - GATT 1947 govern trade in goods from 1948 until 1994. It was an agreement as well as an organisation. In 1995, the WTO replaced GATT as an international organisation. GATT 1947 together with GATT 1994 forms the umbrella treaty for trade in goods. Both these agreements are collectively referred as GATT.

GBS:

- **Global Business Services** - A well-executed global business services strategy is distinctly different from the narrower focuses of shared services and outsourcing strategies. It identifies corporate objectives and encourages internal functions to collaborate with each other and third-party service providers to create breakthrough, strategic operational capabilities that drive business outcomes that can result in real marketplace differentiation and competitive advantage.
- The global business services model is multifunctional, fully integrated, end-to-end process oriented and can transform businesses. Typically, this is achieved through the creation of a unified global business services unit capable of managing end-to-end processes.

GDP per capita:

Per capita GDP is a measure of the total output of a country that takes gross domestic product (GDP) and divides it by the number of people in the country. The per capita GDP is especially useful when comparing one country to another, because it shows the relative performance of the countries.

GDP per capita (PPP based):

Gross Domestic Product (Purchasing Power Parity) - is gross domestic product converted to international dollars using purchasing power parity rates and divided by total population. An international dollar has the same purchasing power over GDP as a U.S. dollar has in the United States. Purchasing power parities (PPPs) are the rates of currency conversion that eliminate the differences in price levels between countries.

GDP:

- **Gross Domestic Product** - Monetary value at market prices of all goods and services produced within a country, but excluding net income from abroad for a given period (usually a year). GDP includes all private and public consumption, government outlays, investments and exports minus imports that occur within a defined territory. Put simply, GDP is a broad measurement of a nation's overall economic activity.
- Gross domestic product can be calculated using the following formula:

$$GDP = C + G + I + NX$$

Where C is equal to all private consumption, or consumer spending, in a nation's economy, G is the sum of government spending, I is the sum of all the country's investment, including businesses capital expenditures and NX is the nation's total net exports, calculated as total exports minus total imports ($NX = \text{Exports} - \text{Imports}$).

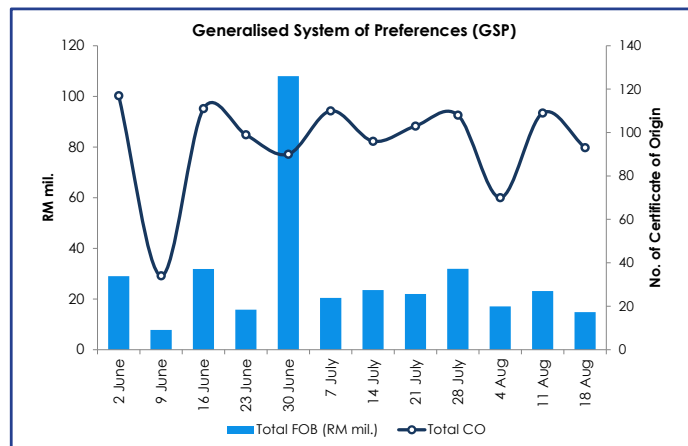
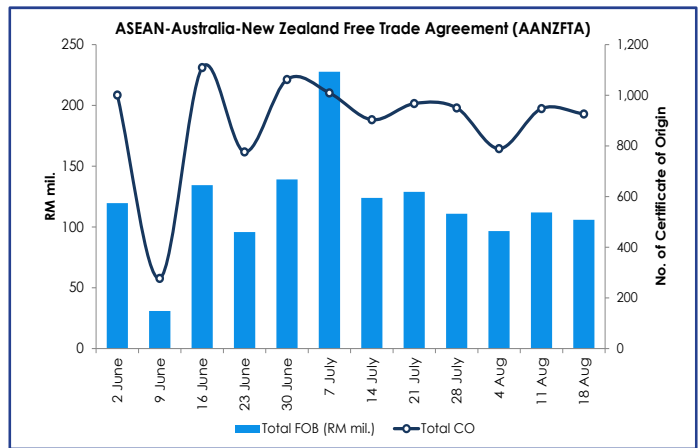
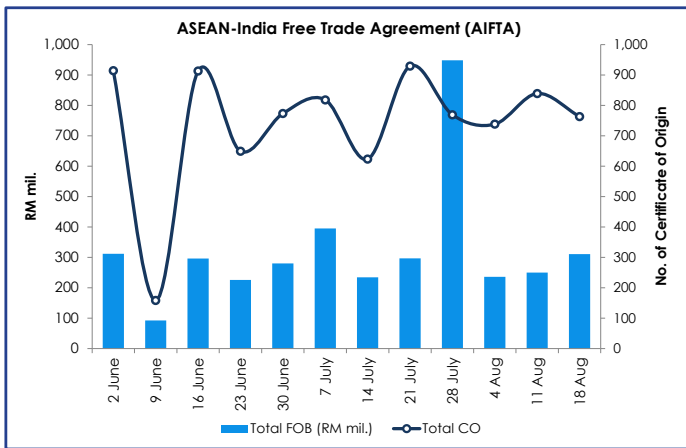
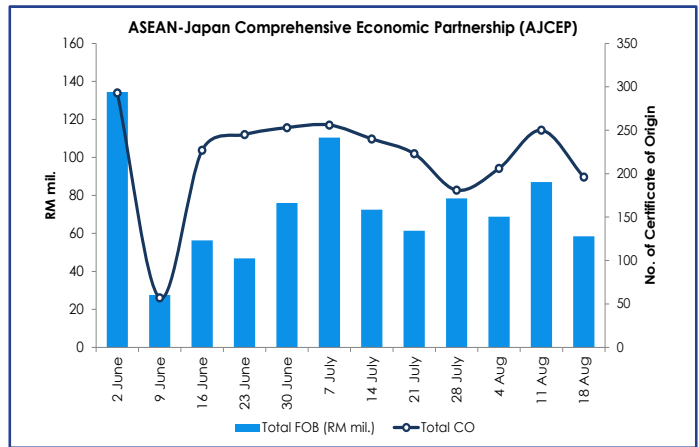
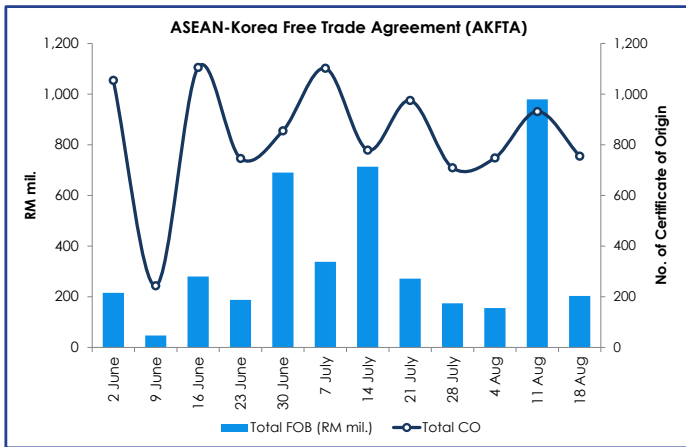
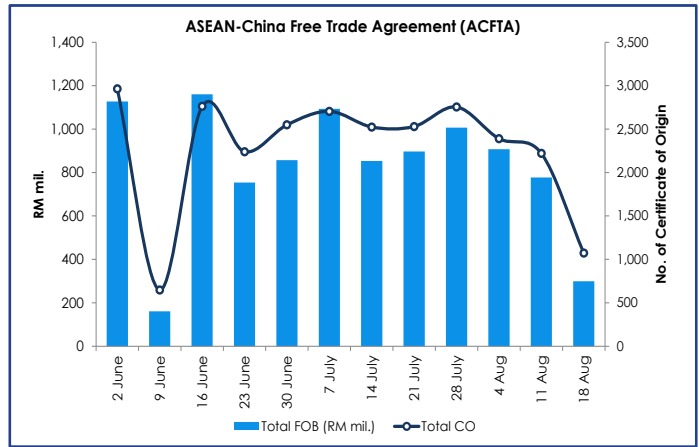
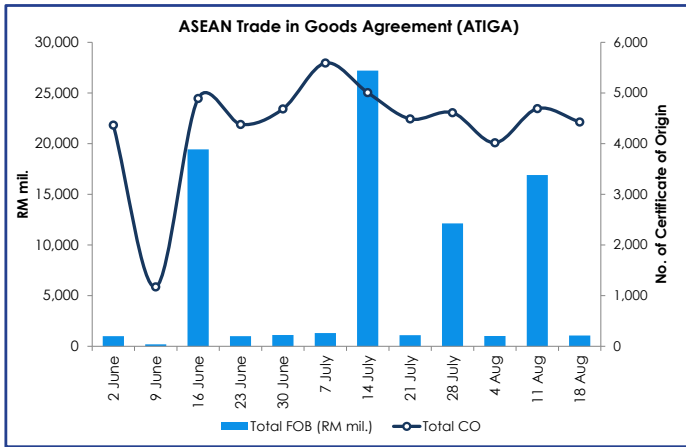
Nominal GDP:

Nominal GDP is Gross Domestic Products (GDP) evaluated at current market price, without the inflation adjustment. Nominal GDP is usually higher than real GDP because inflation is typically a positive number. Nominal GDP is used when comparing different quarters of output within the same year. The main difference between nominal and real values is that real values are adjusted for inflation, while nominal values are not.

GNI:

Gross National Income - Another measure of a country's economic performance. The production of the nationals of the country, whether they are in residence in the domestic territory or not. GDP may be converted to GNI by adding net factor incomes from abroad.. It is calculated by adding to GDP the income earned by residents from investments abroad, minus income sent home by foreigners who are living in the country.

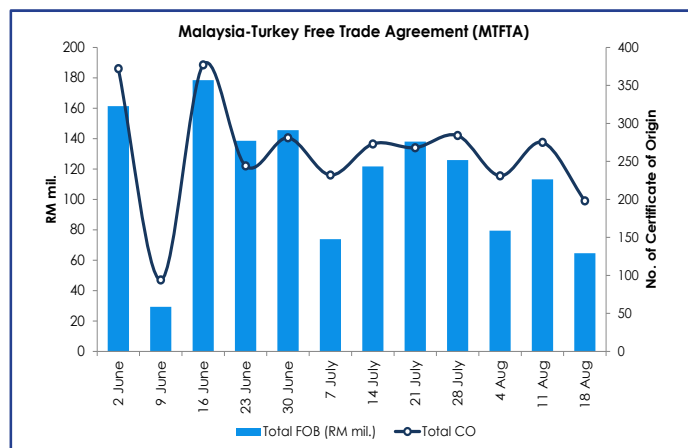
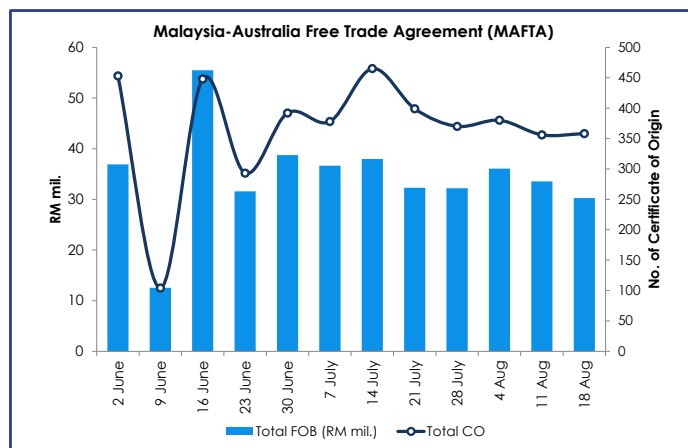
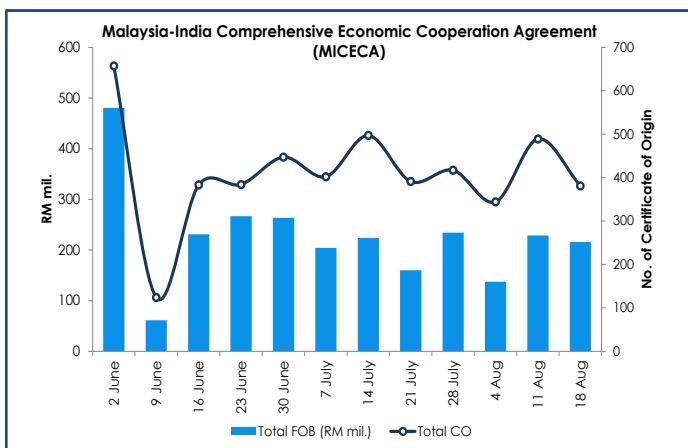
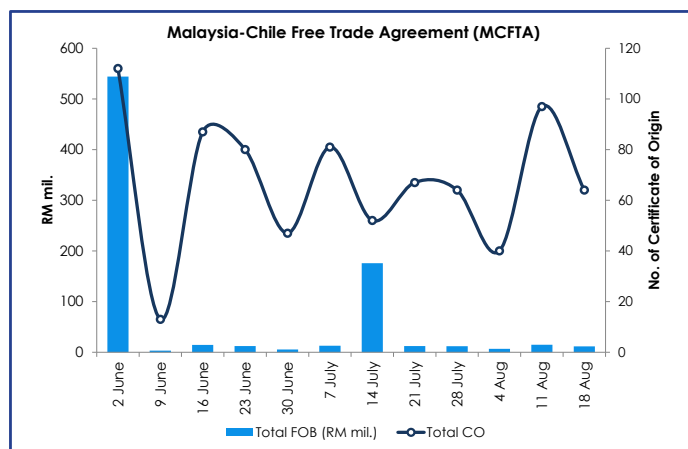
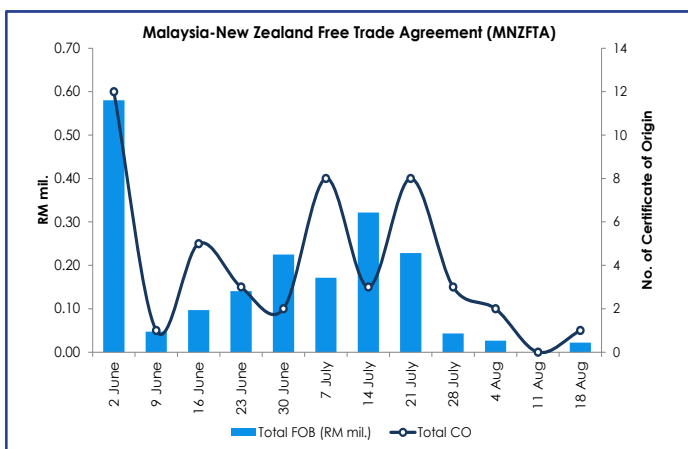
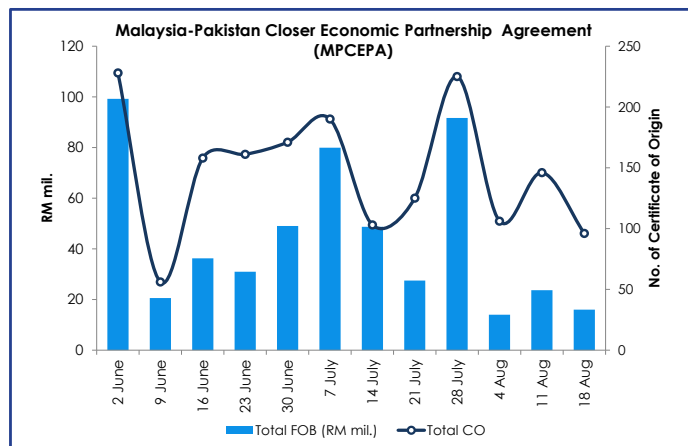
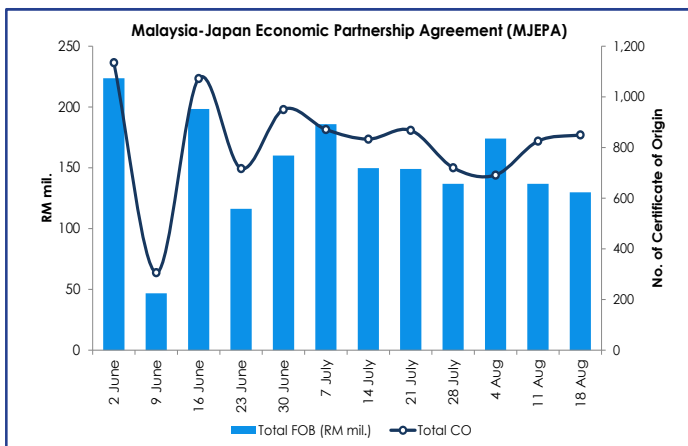
Number and Value of Preferential Certificates of Origin (PCOs)



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

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

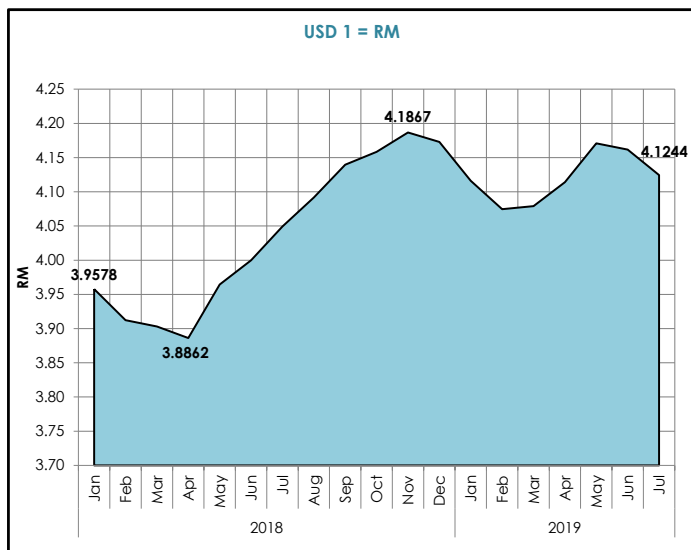
Number and Value of Preferential Certificates of Origin (PCOs)



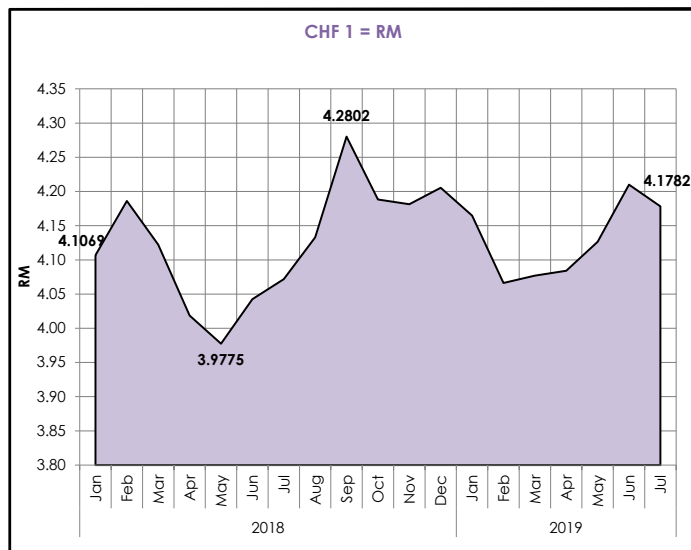
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2018 - July 2019

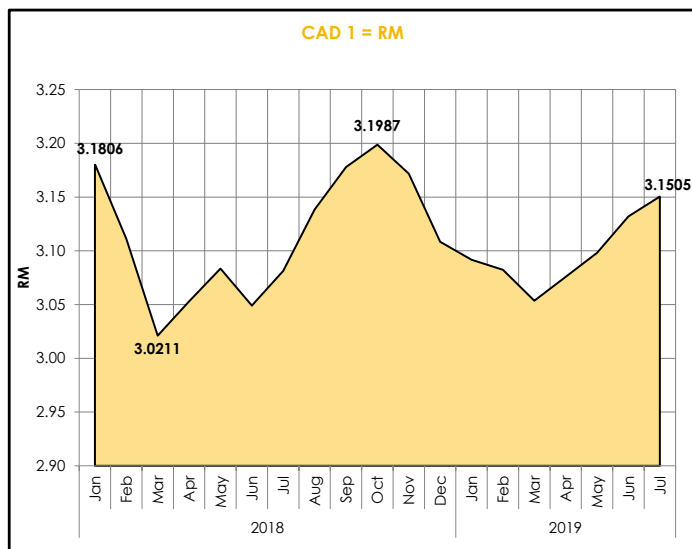
US Dollar



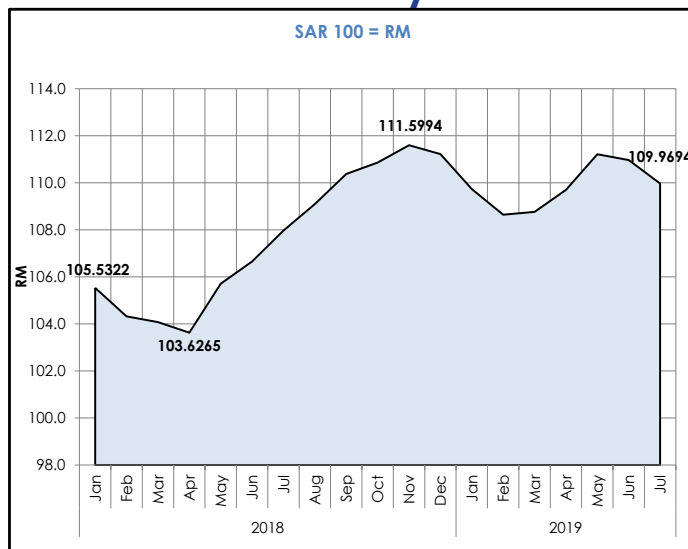
Swiss Franc



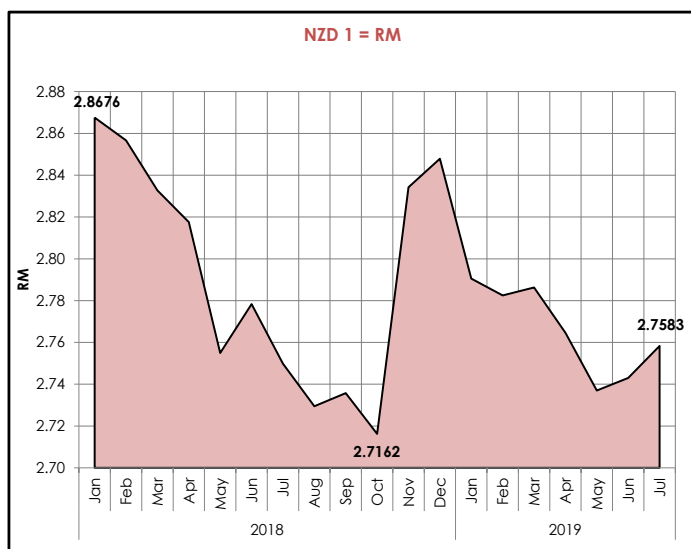
Canadian Dollar



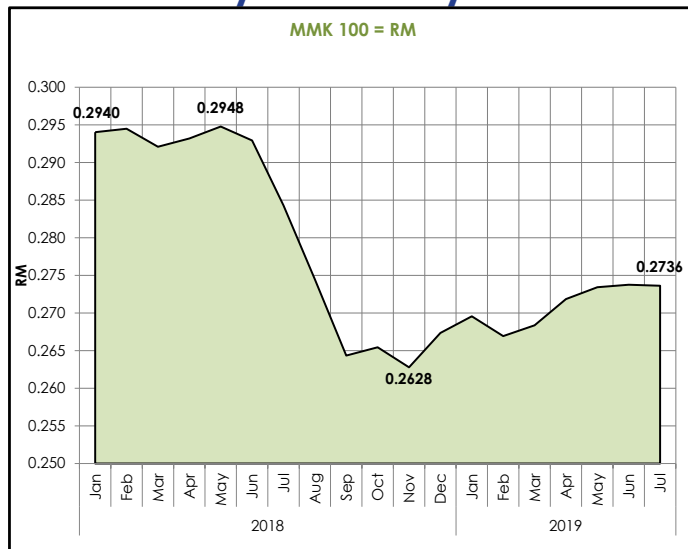
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▼ 2.5%*
US\$61.9
02 August 2019

Average Price 2018ⁱ: US\$71.5

Highest
2018/2019
17 May 2019 : US\$72.2
5 Oct 2018 : US\$84.2

4 Jan 2019 : US\$57.1
28 Dec 2018 : US\$52.2

Lowest
2018/2019

CRUDE PALM OIL -per MT-



▲ 3.7%*
US\$506.5
02 August 2019

Average Price 2018ⁱ: US\$600.1

Highest
2018/2019
22 Feb 2019 : US\$567.0
9 Mar 2018 : US\$691.5

26 July 2019 : US\$488.5
23 Nov 2018 : US\$448.5

Lowest
2018/2019

RUBBER SMR 20 -per MT-



▼ 7.7%*
US\$1,315.0
02 August 2019

Average Price 2018ⁱ: US\$1,371.0

COCOA SMC 2 -per MT-



▼ 4.2%*
US\$1,552.7
02 August 2019

Average Price 2018ⁱ: US\$1,535.6

SUGAR -per lbs-



⊖%*
US\$12.0
02 August 2019

Average Price 2018ⁱ: US\$12.3

COAL -per MT-



⊖%*
US\$53.8
02 August 2019

Average Price 2018ⁱ: US\$66.9

SCRAP IRON HMS -per MT-

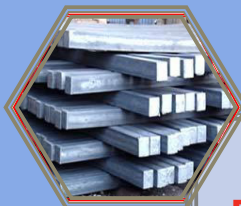


⊖%*
US\$320.0
(high)
⋮
⊖%*
US\$290.0
(low)
02 August 2019

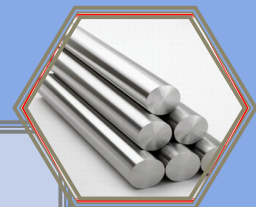
Average Price 2018ⁱ: US\$380.7 (high)
Average Price 2018ⁱ: US\$359.6 (low)

Domestic Prices

02 August 2019



Billets
(per MT)
RM1,900 - RM2,100

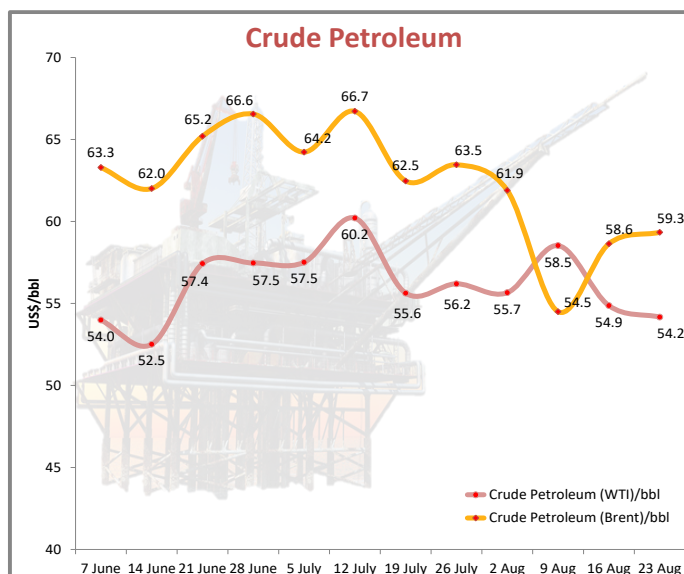
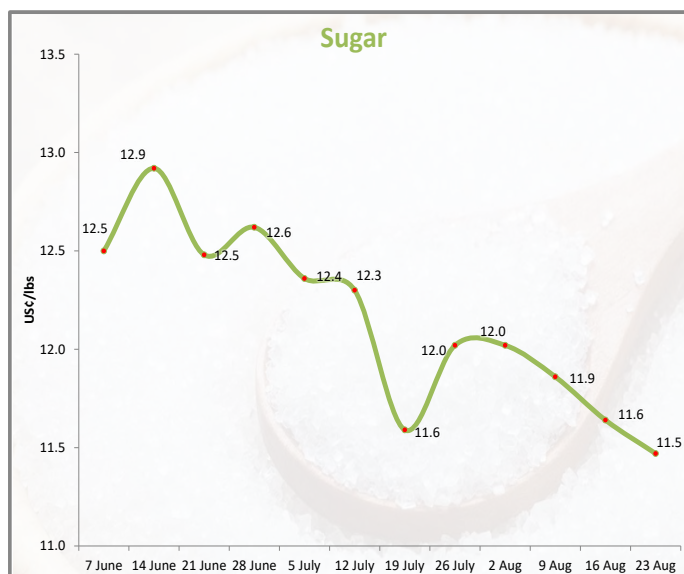
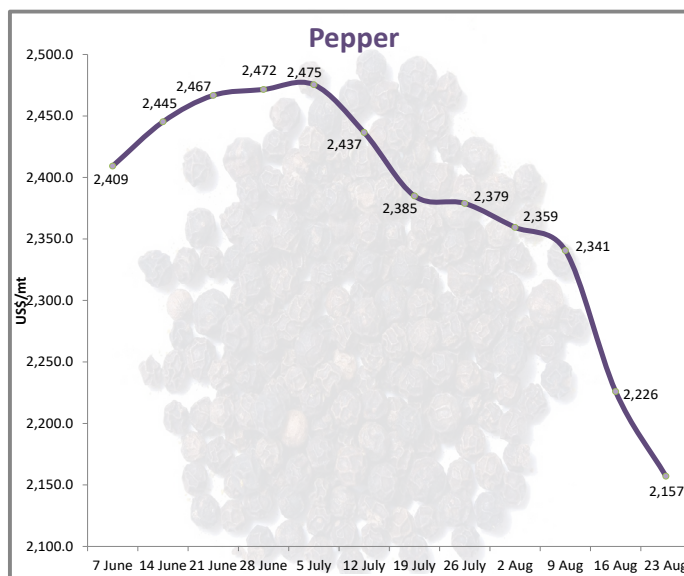
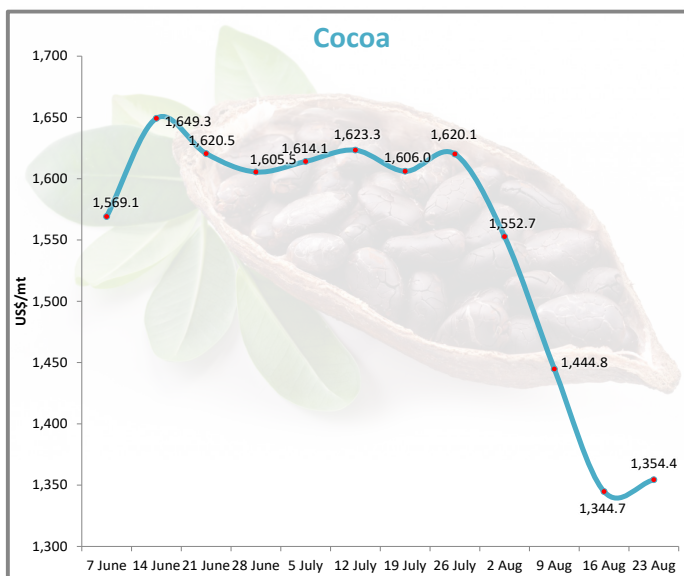
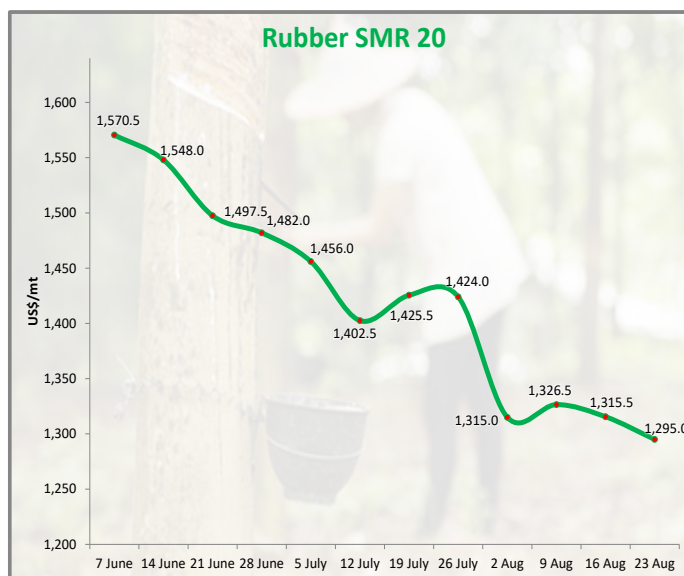
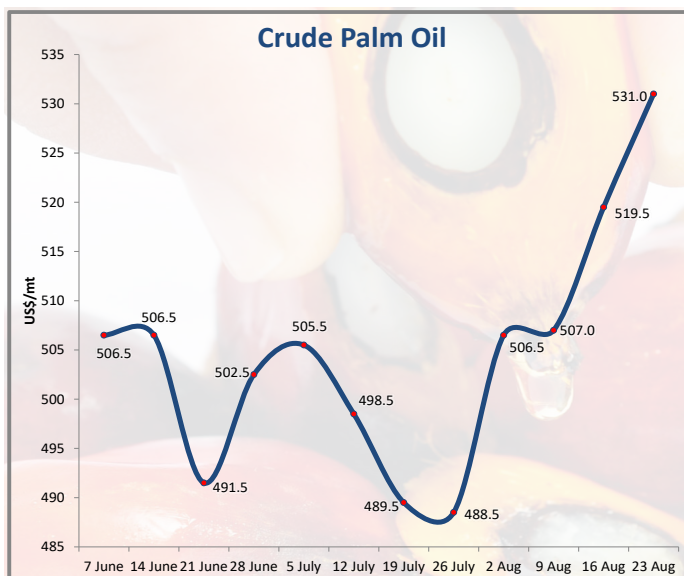


Steel Bars
(per MT)
RM2,090 - RM2,240

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

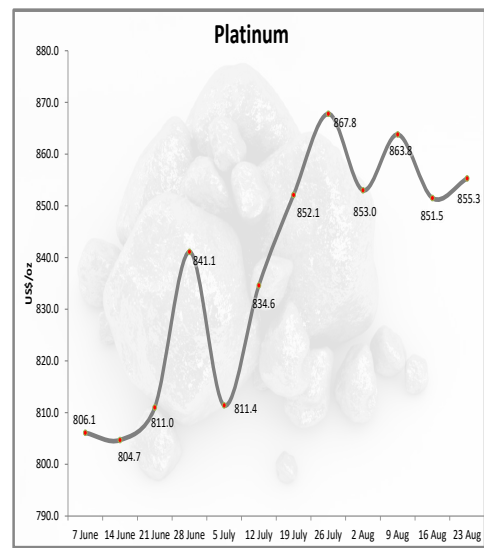
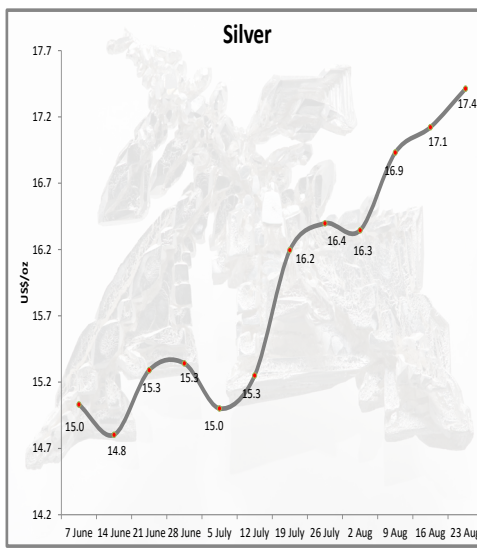
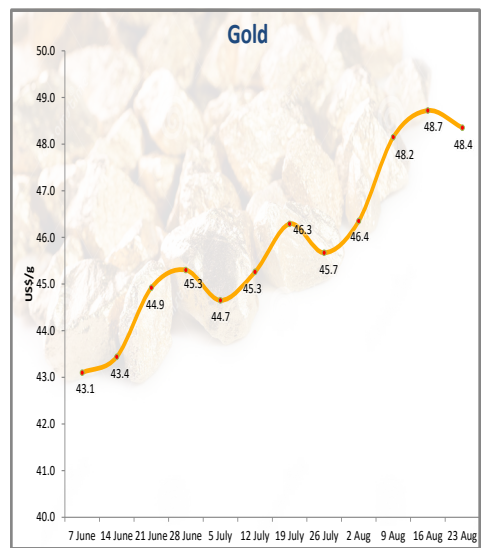
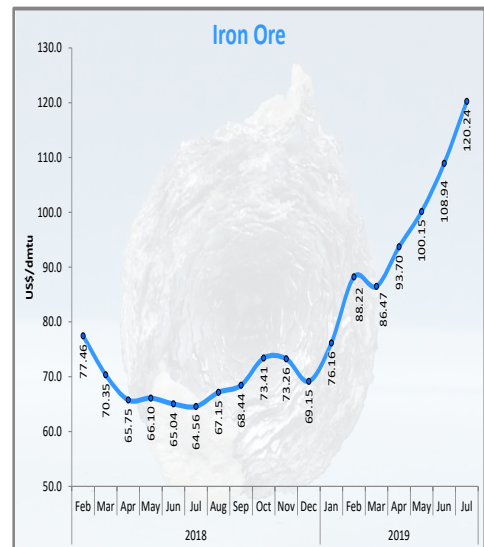
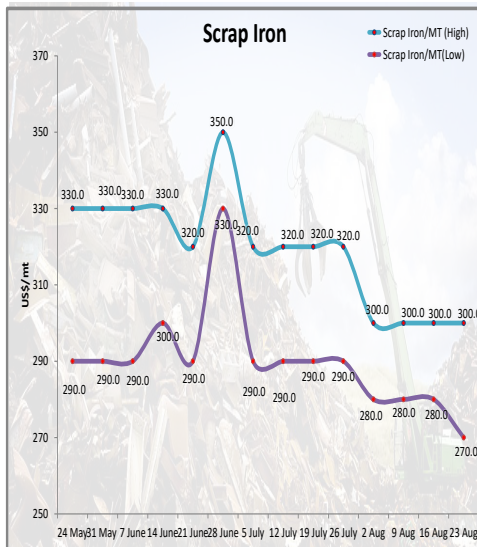
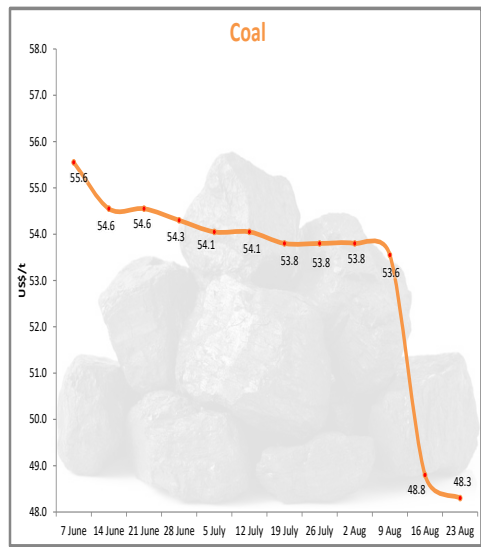
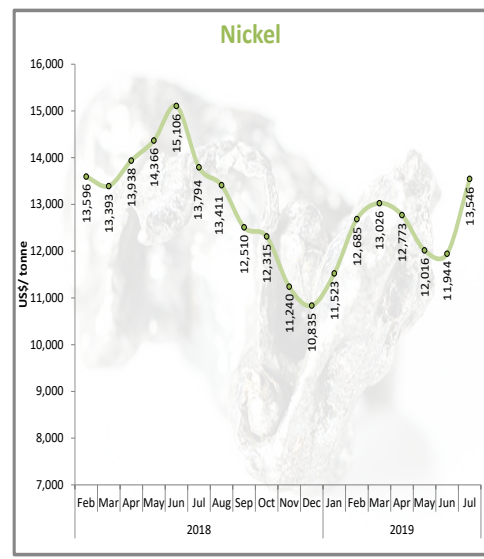
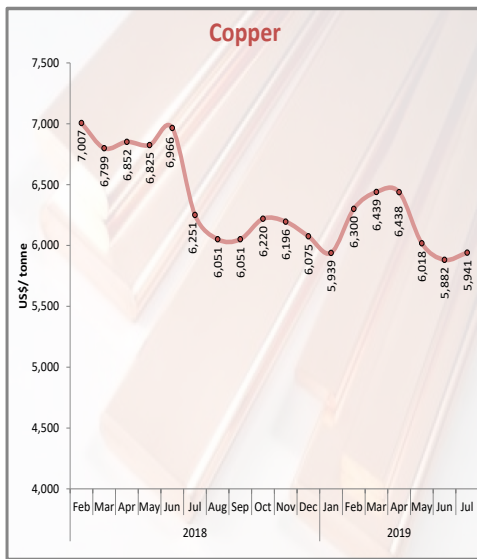
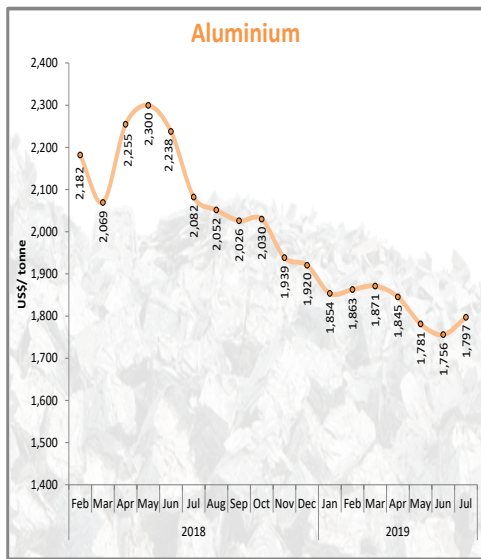
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

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.

MITI Minister Activities, 22 August 2019



MITI Minister as panelist at the 'Trade and Investment Opportunities Malaysia as the Gateway to ASEAN in Melbourne



Bilateral Meeting with The Honourable Martin Pakula, Minister of Jobs, Innovation and Trade of Victoria State Government



Bilateral Meeting with The Honourable Daniel Andrews MP, Premier of Victoria



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?

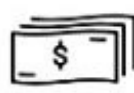
Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

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?mid=559#tab_547_2202

All you need to know...

Industry4WRD



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>

NEXT AWARD CYCLE

ANUGERAH KECEMERLANGAN INDUSTRI (AKI) 2019/2020

NOMINATIONS OPENING SOON

Read More on AKI



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

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

RMK-11 HIGH VALUE ADDED AND COMPLEX PRODUCT DEVELOPMENT PROGRAMME

CALLING INTERESTED APPLICANTS TO APPLY FOR GRANT UNDER RMK-11 HIGH VALUE ADDED COMPLEX PRODUCT DEVELOPMENT PROGRAMME (PDP) AND MARKET DEVELOPMENT PROGRAMME (MDP)

▶ [CLICK HERE FOR MORE INFORMATION](#)

For more information, kindly click the following links:
http://www.miti.gov.my/index.php/pages/view/4761Vintage_English.pdf

Industry4WRD

NATIONAL POLICY ON INDUSTRY 4.0

ATTRACT CREATE TRANSFORM

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

For more information, kindly click the following links:
<https://www.miti.gov.my/index.php/pages/view/industry4WRD>

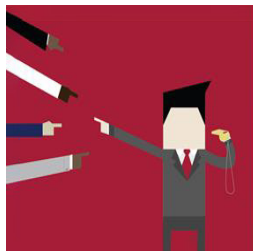
Industry4WRD

READINESS ASSESSMENT

REGISTRATION FOR ASSESSING BODY IS NOW OPEN

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

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



Blow the whistle, help fight fraud, bribe and corruption

Whistleblower Protection Act 2010 (Act 711)

Contact Mr. Huzaimi Hashim (MITI Investigation Officer) huzaimi@sprm.gov.my / 03-6200 0039



MITI & AGENCIES ADOPT AND IMPLEMENT NO GIFT POLICY

Thank you for helping us in ensuring the success of this policy.



MITI POCKET TALK

A SERIES OF SESSION FOR THE PRIVATE SECTOR

Information on the benefits of **Free Trade Agreements (FTAs)** and current updates

Introduction on **Preferential Certificates of Origin (PCO)** application procedures



Enjoy **LOWER Tariffs** on Imports

Gain **COMPETITIVE EDGE** by utilising the FTAs

Tentative Schedule for MITI Pocket Talks 2019

NO	DATE	VENUE	TOPIC
1	19 September (Thursday)	MITI PERAK	Introduction to FTA & Preferential Certificate of Origin (PCO)
2	17 October (Thursday)	MITI HQ (SEMINAR 1)	
3	14 November (Thursday)	MITI KELANTAN	



When?

Once a month



Where?

MITI Tower Kuala Lumpur
OR
MITI Regional Offices



Fees?

Free of Charge
with light refreshments

For more information, please contact the Secretariat



03-6200 0468/69/57



allaki@miti.gov.my

ANNOUNCEMENTS

APPROVED PERMIT (AP) APPLICATION OF PERSONAL VEHICLES

Effective 1st August 2019, Approved Permit (AP) applications for the importation of personal vehicles must be made through the ePermit System.

For more information, kindly click the following links:

[https://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Notice_for_Application_of_Personal_Vehicle_Import_License_\(AP\)_15072019_BI.pdf](https://www.miti.gov.my/miti/resources/Approve%20Permit/AP%20Announcement/Notice_for_Application_of_Personal_Vehicle_Import_License_(AP)_15072019_BI.pdf)

APPLICATION FOR OPEN AP COMPANY

Application is open from 1 August 2019 until 30 September 2019.

For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/5539>

IMPLEMENTATION OF ASEAN-HONG KONG FREE TRADE AGREEMENT (AHKFTA)

MALAYSIA TO JOIN ON **1 AUGUST 2019**

EXPORTATION TO PARTICIPATING MEMBER STATES
LAO PDR, MYANMAR, SINGAPORE, THAILAND, VIET NAM AND HONG KONG

For more information, kindly click the following links:

https://www.miti.gov.my/miti/resources/Preferential%20Certificate%20of%20Origin/Announcement/Notification_ePCO_2019_-_Implementation_of_AHKFTA.pdf

MITI @ Your Service

MITI Overseas Office (BEIJING)



See Chee Kong
Minister (Economic Affairs)



Deborah Nicole Danker
First Secretary
(Economic Affairs)



Cao Jingjin
Clerk



Su Kaidong
Driver



MITI Weekly Bulletin (MWB) Mobile Apps



weekly bulletin

News & Magazines

★★★★★

1

MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from Gallery of Malaysian Government Mobile APPs (GAMMA) at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>

Feedback

Send us your suggestions



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