Tourism Satellite Account 2018

“Value Added of Malaysia’s Tourism Industries attained 15.2%, meanwhile Tourism Direct contributed 6.5%”

Gross Value Added of Tourism Industries\(^1\)

\[ \text{RM} \, 220.6 \text{b} \]

Tourism Direct Gross Domestic Product\(^2\)

\[ \text{RM} \, 94.5 \text{b} \]

Notes:

1 refers to the total gross value added of all establishments belonging to tourism industry

2 is the sum of the part of gross value added generated by tourism industry and other industries of the economy that directly serve visitors

Internal Tourism Consumption

- **Inbound Tourism**
  - Expenditure: RM87.7 billion
  - Mainly contributed by:
    - Shopping: 33.5%
    - Accommodation: 24.7%
    - Passenger transport: 18.0%

- **Domestic Tourism**
  - Expenditure: RM82.7 billion
  - Mainly contributed by:
    - Shopping: 42.0%
    - Automotive fuel: 16.6%
    - Food & beverage: 15.5%

Tourism Employment

- Employment in the tourism industry increased to 3.5 million persons
- 23.5% Contribution to total employment

Source: Department of Statistics, Malaysia
Tourism Satellite Account 2018

Inbound tourism expenditure posted a slower growth of 2.3%.

Domestic tourism expenditure continued to register a double digit growth of 12.3%.

Outbound tourism expenditure which refers to spending by Malaysia's residence while travelling abroad increased by 6.2%.

Employment in tourism industry contributed 23.5% of total employment, led by food and beverages serving services followed by retail trade.

Source: Department of Statistics, Malaysia
Domestic Tourism Survey by state 2018

Selangor received the highest domestic visitor arrivals in 2018 with a total of 30.2 million visitors.

Source: Department of Statistics, Malaysia
Consumer Price Index, August 2019

CPI August 2019 increased 1.5% as compared to August 2018.

Source: http://www.trademap.org/index.aspx
WORLD LARGEST EXPORTERS OF OSCILLOSCOPES AND OSCILLOGRAPHS*

In 2018, Malaysia's export of oscilloscopes and oscillographs recorded US$205.7 million with 25.2% share to the world exports.

1. Malaysia
   - US$205.7m
   - 25.2%

2. USA
   - US$170.5m
   - 20.9%

3. China
   - US$90.8m
   - 11.1%

4. Germany
   - US$76.1m
   - 9.3%

5. Hong Kong
   - US$63.0m
   - 7.7%

Notes:
- *HS903020
- % refer to share in world

TOP FIVE MALAYSIA EXPORT DESTINATIONS

1. USA
   - US$63.1m

2. China
   - US$40.1m

3. Netherlands
   - US$27.1m

4. Japan
   - US$22.3m

5. Chinese Taipei
   - US$13.3m

Sources: https://www.trademap.org/index.aspx
Be part of something BIG?

Come and join us, be a volunteer for APEC 2020!

For more information about the volunteer program, kindly click the following links:

**GLOSSARY**


**MSDC:**
- **Malaysia Services Development Council** - Meeting as a platform to address cross-cutting policy issues on services. Working with MPC and other stakeholders in addressing regulatory and institutional barriers.
- Participation in the services studies and implementation of identified key recommendations of selected services studies, such as Services Blueprint, Logistic and trade facilitation masterplan and other related studies.

**MSPC:**
Malaysian Services Provider Confederation - To be the sole platform for formulating common strategies, networking at national, regional and international levels for service sectors; To promote and stimulate demand for services – professional, business and others; To accelerate the growth of the services sector by: Enhancing the competitiveness, productivity and efficiency of the sector, Developing the capacities and capabilities for the sector, Positioning Malaysia to be a regional centre of excellence for those established and maturing sub-sectors, Engaging with the authorities, in the spirit of Malaysia Inc., to create a more conducive business environment for investments and export of services. Outreaching, nurturing and partnering constituent member organizations in strengthening institutional support in both development and promotion.

**MTS:**
Multilateral Trading System - a trading system which involves participation of many different parties with the aim of promoting cooperation in terms of trade and the making of trade policy, rules and regulations among members. The term ‘multilateral trading system’ is used in APEC Statements to indicate the World Trade Organization - WTO (previously known as GATT).

**NAICO:**
National Aerospace Industry Coordinating Office - coordinates, implements and monitors the Malaysian Aerospace Industry Blueprint 2030 and overall aerospace industry development programmes in Malaysia. It is the centre of excellence for the aerospace industry development in Malaysia and also promotes and facilitate the involvement and growth of Small, Medium Enterprises in the global supply chain in the aerospace industry. NAICO is also the Secretariat to the Malaysian Aerospace Council (MAC).

**NATIP:**
National Timber Industry Policy - The NATIP was officially launched on 17 February 2009 as a guiding principal for the development of the timber industry in Malaysia. The policy outlines the way forward for the industry and determine the appropriate policy directions for critical aspects of the timber industry.

**NAMA:**
Non-Agriculture Market Access - involves all products that are not covered by the Agriculture Agreement. In other words, NAMA products include all fish and fishery products, wood and forestry products, electronics, manufactures, automotive products, machinery, textiles, clothing, leather, chemical products, and mining products. Sometimes NAMA products are also called industrial goods or manufactured goods. NAMA products account for nearly 90% of export goods in the world. The WTO is trying to reduce or eliminate tariffs on NAMA goods, in particular products of export interest to developing countries, as part of the Doha Round.

**NAC:**
The National Automotive Council - is chaired by YB Minister of MITI and consists of representatives from the Government and automotive industry. The role of the council is to oversee the implementation of NAP 2014 and other policy related to automotive industry.

**NAP:**
National Automotive Policy - The NAP was introduced in 2006 to transform the automotive industry and integrate it into the increasingly competitive regional and global industry.
Number and Value of Preferential Certificates of Origin (PCOs)

- **Generalised System of Preferences (GSP)**
  - Note: *Provisional Data
  - Source: Ministry of International Trade and Industry, Malaysia

- **ASEAN Trade in Goods Agreement (ATIGA)**
  - Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

- **ASEAN-China Free Trade Agreement (ACFTA)**

- **ASEAN-Korea Free Trade Agreement (AKFTA)**

- **ASEAN-Japan Comprehensive Economic Partnership (AJCEP)**

- **ASEAN-India Free Trade Agreement (AIFTA)**

- **ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)**
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.

**Generalised System of Preferences (GSP)**

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia
Malaysian Ringgit Exchange Rate with Selected Countries, January 2018 - September 2019

**US Dollar**

USD 1 = RM

**Japanese Yen**

JPY 100 = RM

**Chinese Yuan**

CNY 1 = RM

**Singapore Dollar**

SGD 1 = RM

**Thai Baht**

THB 100 = RM

**New Taiwan Dollar**

TWD 100 = RM

Source: Bank Negara Malaysia
### Commodity Prices

**CRUDE PETROLEUM (BRENT) - per bbl**
- *3.7%*  
  - US$61.9  
  - 27 September 2019
- **Highest 2018/2019**  
  - 17 May 2019: US$72.2  
  - 5 Oct 2018: US$84.2  
- **Lowest 2018/2019**  
  - 9 Aug 2019: US$54.5  
  - 28 Dec 2018: US$52.2

**CRUDE PALM OIL - per MT**
- *2.1%*  
  - US$567.5  
  - 27 September 2019
- **Highest 2018/2019**  
  - 20 Sep 2019: US$579.5  
  - 9 Mar 2018: US$691.5  
- **Lowest 2018/2019**  
  - 26 July 2019: US$488.5  
  - 23 Nov 2018: US$448.5

**RUBBER SMR 20 - per MT**
- *4.4%*  
  - US$1,282.0  
  - 27 September 2019
- **Average Price 2018**  
  - US$1,371.0

**COCOA SMC 2 - per MT**
- *2.7%*  
  - US$1,677.8  
  - 27 September 2019
- **Average Price 2018**  
  - US$1,535.6

**SUGAR - per lbs**
- *4.6%*  
  - US$12.6  
  - 27 September 2019
- **Average Price 2018**  
  - US$12.3

**COAL - per MT**
- *1.1%*  
  - US$43.6  
  - 27 September 2019
- **Average Price 2018**  
  - US$66.9

**SCRAP IRON HMS - per MT**
- *1.9%*  
  - US$260.0 (high)  
  - US$230.0 (low)  
  - 27 September 2019
- **Average Price 2018**  
  - US$380.7 (high)  
  - US$359.6 (low)

### Domestic Prices  
**27 September 2019**

- **Billets (per MT)**  
  - RM1,650 - RM1,700

- **Steel Bars (per MT)**  
  - RM1,800 - RM1,950

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**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

Commodity Price Trends

MITI Minister Working Visit to Italy, 25-26 September 2019
MITI hosted study visit from University Utara Malaysia
27 September 2018
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.bpnib.com.my

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
  - www.mida.gov.my

- For other industries:
  - Automation CA of 200% on the first RM2 million expenditure incurred within 5 years

For more information, kindly click the following links:
All you need to know about Industry4WRD RA

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.

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

Enquiries
- General: info@mi.gov.my
- RA: industry4wrdb@mpc.gov.my

Process Flow
1. Apply online at www.miti.gov.my/industry4wrdb
2. Evaluation by Committees
3. Onsite Assessment
4. Receive RA Report
5. Develop Intervention Proposal
6. Apply for Financial Incentives
7. Implement the Intervention Plan

For more information, kindly click the following links:
MEDIA RELEASE

MITI Officials Attended the 28th Regional Comprehensive Economic Partnership (RCEP) Trade Negotiating Committee Meeting in Da Nang, Vietnam 19-27 September 2019


The Malaysia delegation was led by MITI with senior government officials from relevant ministries and agencies. TNC members comprise the negotiating officials of RCEP member countries.

Since July 2018, the RCEP negotiations have concluded 9 chapters as follows:
1. Customs Procedure and Trade Facilitation (CPTF);
2. Institutional Provisions;
3. Government Procurement;
4. Standards, Technical Regulations and Conformity Assessment Procedures (STRACAP);
5. Sanitary & Phytosanitary (SPS);
6. Telecommunication Services (TEL);
7. Intellectual Property Rights (IPR);
8. Legal and Institutional Issues (WGLII); and

Recently at the 74th Session of The United Nations General Assembly, Prime Minister YAB Tun Dr Mahathir Mohamed emphasised that Malaysia would continue to be a trading nation focused on industrialisation and job creation.

In relation to that aspiration, Malaysia’s participation in RCEP is based on solidarity with ASEAN and the belief in fair trade, mutually beneficial to all countries involved. This includes taking into consideration domestic sensitivities, constitutional constraints and different levels of economic development.

Malaysia fully shares the aspiration of ASEAN member countries to achieve the conclusion of RCEP and deepen regional integration with ASEAN’s economic partners. Minister of International Trade and Industry YB Datuk Darell Leiking expressed optimism that the negotiations could be concluded by the end of 2019. He was confident that outstanding matters such as market access would continue to enjoy progress and would not hold back announcement of a substantive conclusion to RCEP talks in November 2019.

RCEP was launched in November 2012 at the 21st ASEAN Summit in Cambodia. This agreement involves 16 countries, consisting 10 ASEAN Member States (AMS) and ASEAN’s Free Trade Agreement (FTA) Partners (AFPs) namely Australia, China, India, Japan, Korea, as well as New Zealand. RCEP is an ASEAN-led initiative. Once implemented, RCEP Members can expect an increase in production and economic welfare gains.

Ministry of International Trade and Industry
1 October 2019
For more information, kindly click the following links:


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**ANNOUNCEMENTS**

### Tentative Schedule for MITI Pocket Talks 2019

<table>
<thead>
<tr>
<th>NO</th>
<th>DATE</th>
<th>VENUE</th>
<th>TOPIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>17 October (Thursday)</td>
<td>MITI HQ (SEMINAR 1)</td>
<td>Introduction to FTA &amp; Preferential Certificate of Origin (PCO)</td>
</tr>
<tr>
<td>2</td>
<td>14 November (Thursday)</td>
<td>MITI KELANTAN</td>
<td></td>
</tr>
</tbody>
</table>

For more information please contact the secretariat:

03 6200 0468/89/57
alatkk@miti.gov.my
ANNOUNCEMENTS

MITI Weekly Bulletin (MWB) Mobile Apps

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

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