

APEC TRADE MINISTERS COMMIT TO COLLECTIVELY MITIGATE THE ECONOMIC IMPACT OF COVID-19



In a show of regional solidarity, the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade (MRT) has issued a Statement calling for APEC Economies to hasten the fight against COVID-19 while undertaking the necessary steps to remedy the health and economic impact of the pandemic.

The Ministry of International Trade & Industry (MITI) led the process of consensus-building among the 21-member grouping, culminating in the issuance of the Statement earlier this week. YB Dato' Seri Mohamed Azmin Ali, the Senior Minister and Minister of International Trade and Industry, as well as the current Chair of APEC MRT, assumed a crucial leadership role in navigating the Statement towards consensus and finalisation. It should also be noted that the Statement was drafted and finalised entirely virtually.

In the Statement, APEC Trade Ministers underline the importance of ensuring free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment to safeguard the economy of the region. The Trade Ministers also called for the Economies to ensure that global supply chains and trading links remain open in order to mitigate the impact of COVID-19 on the lives and livelihood of people.

APEC Trade Ministers also underscored the need for collaboration at all levels and across the region in order to battle the pandemic. They expressed their concerns with regards to the impact of COVID-19 on vulnerable developing economies. In the same vein, the Ministers acknowledge the need to implement certain emergency measures in order to effectively address the challenges presented by the crisis. They concur that there is a need to place a specific emphasis on providing timely and affordable access to essential healthcare services, particularly for members of society that are more vulnerable to the pandemic.

This Statement by the APEC MRT is a clear demonstration of the region's collective commitment to respond decisively to the pandemic and navigate the Asia Pacific towards a path of economic recovery. The Ministers also urged member Economies to act swiftly and put in place measures to keep their markets open and ensure that the flow of essential goods, services and people remain uninterrupted.

The Ministers also sought APEC Economies to pursue facilitative measures that will expedite economic rebound, facilitate the recovery of businesses and support workers to return to employment. They also recognised that the digital economy ecosystem provides opportunities to ease the adverse impact of the pandemic. They noted that, by further harnessing the potential of digital technologies, Economies can advance sustainable economic growth within the region.

Malaysia is the host of APEC 2020 and MITI is the National Secretariat of APEC 2020. At present, all APEC 2020's programmes including the MRT meeting, which was scheduled for April, has been postponed until further notice in view of the COVID19 pandemic.

Ministry of International Trade & Industry (MITI) Saturday, 9 May 2020



Statement on COVID-19 by APEC Ministers Responsible for Trade

We, the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade, recognise the unprecedented challenges posed by the COVID-19 pandemic. We are deeply saddened by the human losses due to the pandemic. We also express our utmost appreciation to the frontline workers around the world, in particular those from member economies, for their contribution and sacrifice in protecting public health. We are aware that the health and economic crises the global community is facing have long-term adverse repercussions on the lives and livelihoods of our people.

We are also concerned about the impact of COVID-19 on vulnerable developing economies. We reaffirm the utmost importance of collaboration at all levels and across the region to hasten our fight against COVID-19 and commit to work closely to defeat this pandemic with urgency.

We acknowledge that while halting the spread of COVID-19 currently remains the top priority of every economy, remedying the economic challenges must also be accorded a specific focus.

We recognise the importance of keeping our markets open and working together to deliver a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment, to ensure that trade and investment continue to flow in these trying times.

In this regard, we will work to facilitate the flow of essential goods and services to fight the pandemic including medicines, medical supplies and equipment, agriculture and food products and other supplies across borders, and minimise disruptions to the global supply chains. We will also ensure that trading links remain open and explore ways to facilitate essential movement of people across borders, without undermining the efforts to prevent the spread of the virus. We will work closely to identify and resolve any unnecessary barriers to trade.

We acknowledge that it may be necessary for economies to implement emergency measures designed to address COVID-19 challenges. These measures should be targeted, proportionate, transparent, temporary and should not create unnecessary barriers to trade, and are consistent with WTO rules. We recognise the need to notify any such measures in line with existing WTO rules.

We acknowledge that some members of our society are the most at risk to the pandemic. We encourage economies to act swiftly in providing timely and affordable access to essential healthcare services, and implement measures to further enhance the resilience, scalability and sustainability of our healthcare systems.

We are also aware of the vulnerability of our communities to the current economic slowdown. We encourage economies to take all necessary

steps to ensure the most exposed economic sectors and workers are given support, and ensure that inclusive policy instruments are in place to fast-track their recovery. Returning workers to employment should be a high priority for all economies.

We encourage economies to pursue facilitative measures that will expedite our economic rebound. To this end, we have directed our Senior Officials to develop a coordinated approach to collecting and sharing information on policies and measures, including stimulus packages for the immediate responses to the economic crisis and long-term recovery packages, which could help respond to the economic challenges brought on by the pandemic. Where possible, these efforts should take into account recommendations from the APEC Business Advisory Council. This sharing of information seeks to ensure that the strength and learning of one economy may translate into best practices for the region as a whole.

We recognise the importance of coordinating with our partners and counterparts in the international community as well as with the private sector and academia, whose knowledge, nimbleness, experience and resourcefulness are vital to addressing this pandemic in a dynamic, innovative and timely manner.

We acknowledge the importance of strengthening regional connectivity by intensifying our efforts to make global supply chains more resilient and less vulnerable to shocks, to advance sustainable economic growth.

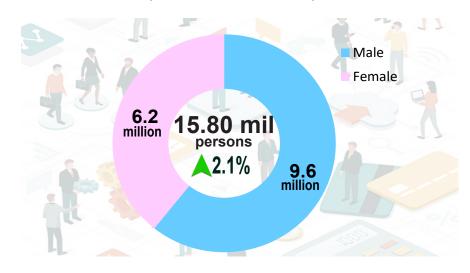
As we fight the pandemic, both individually and collectively, and seek to mitigate its impact on international trade and investment, we are aware that the economic disruption that accompanies it is transformational. It will likely transform much of what we know today about our livelihood and about our way of doing business. Harnessing the opportunities of the digital economy and technologies, through utilisation of smart working solutions that enable seamless international business and cross border trade, is essential to alleviate the wide-range impact of the pandemic and further advance economic growth, as we embrace the future. Therefore, we will strengthen APEC's digital agenda, including electronic commerce and related services, with fresh perspectives and innovative means to navigate these new realities together.

We will work together towards a healthy, resilient and inclusive Asia-Pacific community. We remain unwavering in our commitment and resolute in our determination to effectively work towards mitigating the health and economic impact caused by COVID-19, fast-track the revitalisation of the region's economy and foster its secure growth moving forward.

Source: https://www.apec.org/Meeting-Papers/Sectoral-Ministerial-Meetings/Trade/2020_trade

Labour Force in Malaysia, First Quarter (Q1) 2020

Labour force increased by 2.1 per cent in the first quarter 2020 as compared to the same quarter 2019









NOW



Outside Labour Force ('000) Q1 2020 Q1 2019

Labour Force Participation Rate (%) Q1 2020 Q1 2019

Unemployment Rate(%) Q1 2020 Q1 2019

9,625.5 **1.6%** 9.469.5

9.294.5 **▲**1.6% 9.149.6

> 331.0 **3.5%** 319.9

2,280.7 1.7% 2.241.5

> 8.08 0.1% 80.9

3.4 ✐ 3.4

6,164.6 1.8% 6,057.3

5,949.0 **1.5%** 5.860.5

215.6 **4**9.6% 196.8

4,882.5 1.2% 4.822.7

0.1% 55.7

0.3%

Note: % refer to Y-o-Y Growth Source: Department of Statistics, Malaysia

Principal Statistics of Labour Force, Malaysia Q1 2020

UNEMPLOYMENT PERIOD FOR ACTIVE UNEMPLOYED

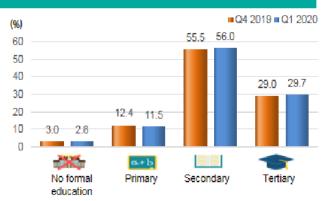




For the first quarter of 2020, 44.6 per cent of 356.8 thousand persons active unemployed have obtained employment in less than 3 months.

PROFILE OF EMPLOYED PERSONS

EMPLOYED PERSONS BY EDUCATIONAL ATTAINMENT



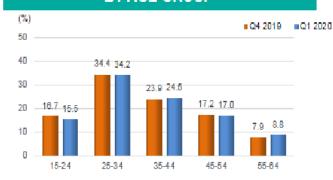
The majority of the working population has secondary education (56.0%) and this group registered an increase of 0.7 per cent in the first quarter of 2020 as compared to the previous quarter.

EMPLOYED PERSONS BY SKILL LEVEL



Employed persons in the semi-skilled category dominated the labour market (59.3%) and the numbers registered an increase of 0.4 per cent in the first quarter of 2020 as compared to the previous quarter.

EMPLOYED PERSONS BY AGE GROUP



Most of the working population was in 25-34 age group and it registered a decrease of 0.6 per cent in the first quarter of 2020 as compared to the previous quarter.

EMPLOYED PERSONS BY EMPLOYMENT STATUS



Employed persons in the employee category dominated the labour market and this category declined 1.7 per cent in the first quarter of 2020 as compared to the previous quarter.

Source: Labour Force Survey, Department of Statistics Malaysia

Wholesale & Retail, March 2020

A total of RM103.2 billion was recorded by sales of Wholesale & Retail Trade in March 2020, a decrease of RM6.3 billion or -5.7 per cent as compared to the same month a year ago. The decline was attributed to Retail Trade which decreased RM2.9 billion (-6.6%). Similarly, Motor Vehicles and Wholesale Trade also declined of RM1.9 billion (-15.3%) and RM1.4 billion (-2.7%) respectively.

Sales Values of Wholesale & Retail Trade March 2020



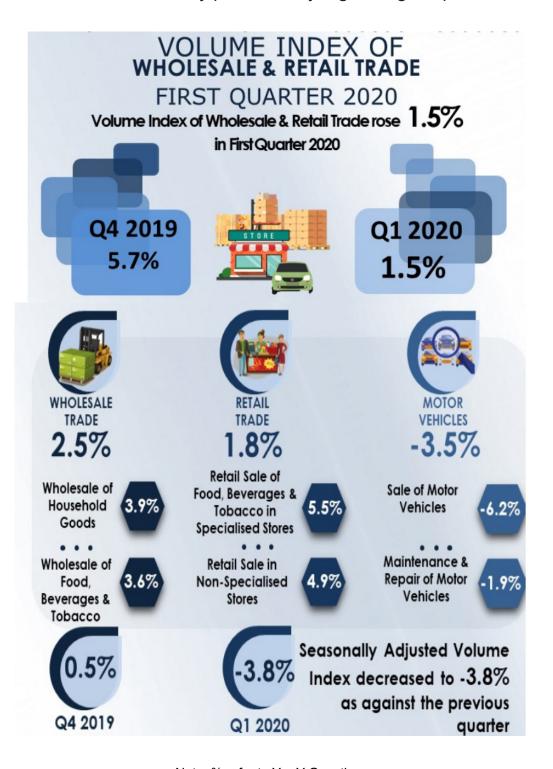
Volume Index of Wholesale & Retail Trade March 2020

Volume index declined to -6.1 per cent Year-on-Year Performance by Sub-sector MARCH -6.1% 2020: Mar. 2020 : **V-2.5**% **FEBRUARY** 2020: 5.4% Feh. 2020 : A 4.9% Wholesale Trade MACRH 2019: 5.0% Mar. 2020 : **∀-7.5**% Month-on-Month A 6.4% Feb. 2020 : Retail Trade Mar. 2020 Feb. 2020 -11.6% -0.6% Mar. 2020 : V-14.4% Seasonally Adjusted Feb. 2020 : A 3.6% Volume Index

Note: % refer to Y-o-Y Growth Source: Department of Statistics, Malaysia

Volume Index of Wholesale & Retail, First Quarter (Q1) 2020

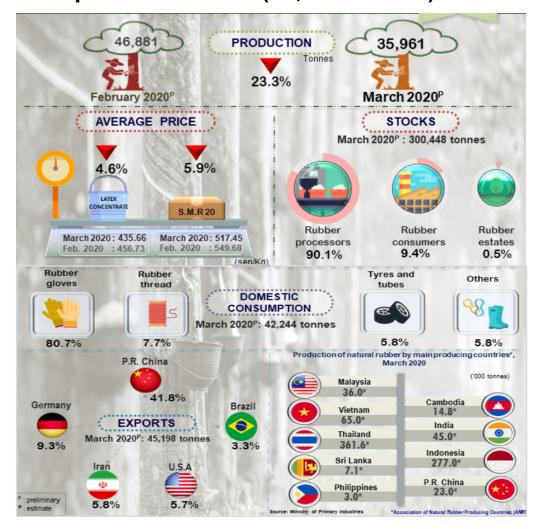
In the first quarter 2020, volume index of Wholesale & Retail Trade increased 1.5 per cent to 127.5 points as compared to the same period in 2019. Wholesale Trade was the key performer by registering 2.5 per cent.



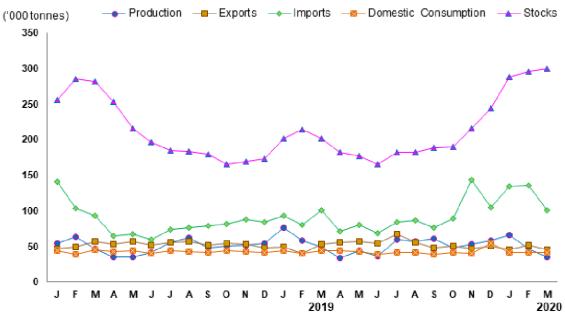
Note: % refer to Y-o-Y Growth Source: Department of Statistics, Malaysia

Monthly Rubber Statistics Malaysia, March 2020

Production of natural rubber decreased 23.3 per cent in March 2020 to 35,961 tonnes as compared to the previous month (46,881 tonnes).



Monthly production, exports, imports, domestic consumption and stocks of natural rubber 2019/2020



Source: Department of Statistics, Malaysia

2018

TRANSPORT EQUIPMENT & TRANSPORT EQUIPMENT **EXPORTING COUNTRIES**

Global Exports 2018: US\$6,763.7 billion **\(\) 7.7%**

2017

US\$ **PRC** US\$ 1,207.98b 1,085.57b

11.3%

US\$ **Germany** US\$ 770,13b 6.5% 723.08b

US\$ **USA** US\$ 665.44b **3.0%** 645.86b

Japan US\$ US\$ **5.5%** 433.11b 410.70b

Hong Kong US\$ US\$ 9.6% 380.50b 347.03b

R.O. US\$ US\$ Korea 347.54b 339.01b **2.5%**

US\$ **Mexico** US\$ 277.59b **9.7%** 253.06b

Netherlands US\$ 8 US\$ **8.7%** 232.09b 213.42b

France US\$ 9 8.5% 226.71b 208.89b

Malaysia US\$ 23 US\$ **17.3%** 112.44b 95.83b

Malaysia was the second largest exporter among ASEAN member states after Singapore in 2018

Impact of Pandemic on Saudi Arabia

A recent WHO update (4 May 2020) records that Saudi Arabia has reported 28,656 cases of COVID-19 and 191 deaths due to the virus. The pandemic has spread extensively over the past 2 weeks, with the number of cases virtually doubling over a 10-day period alone. In aggregate, the Arab region had recorded approximately 87,000 COVID-19 cases. Though Arab countries have ramped up testing and implemented health protocols, shortcomings in sanitation infrastructure and resource endowment may complicate control efforts. Over the past few weeks, many countries within this region — including Saudi Arabia — have ramped up testing rates while simultaneously relaxing stringent health-related social restrictions.

The Saudi Arabian economy is currently forecast to contract by 2.3% for 2020 from an earlier projected growth of 2.2%. In a recent interview, the Saudi Finance Minister stated that oil revenues for Q1 of 2020 had dropped by approximately 22% compared to Q1 of the previous year. Stringent domestic containment measures have restricted civilian mobility with the effect that household consumption and producer output levels have dropped. Contractions in consumption levels spells consequences for the SA economy. Regional ILO projections indicate that the Arab region stands to be particularly affected, with closures and sector fragility expected to increase unemployment rates.

Estimates predict working hours to contract by 8.1% in aggregate over the 2nd quarter of 2020, in this region. This equates to approximately to a job loss for 5 million full time workers.

nations have Many implemented substantial packages monetary policy valued at approximately USD 8 trillion as of mid-April, including the reduction of interest rates and relaxed minimum reserve requirements. The Saudi Arabian Monetary Authority (SAMA) reduced interest rates twice March and has called on commercial banks to facilitate loan restructuring for firms facing substantial stress due to the COVID-19 induced slowdown. The role of International Financial Institutions pivotal in this context. particular The IMF in has pledged a five-fold assistance to COVID-19 relief that involves of emergency provision financing, immediate debt service relief, enhanced liquidity measures and the adjustment of existing lending arrangements. The World Bank Group in turn has announced a USD 14 billion package



addressing the immediate health and social consequences of the outbreak.

Saudi Arabia's pledge of EUR 500 million, announced during the EU Commission's Coronavirus fundraising conference, signals its intent to contribute towards multilateral efforts to curb the pandemic spread. The Public Investment Fund (PIF) — Saudi Arabia's sovereign wealth currently valued at USD 320 billion — may also play a role in this context by investing in initiatives that enable global recovery efforts. Furthermore, efforts to combat the virus and promote recovery can facilitate diversification economic efforts within the region thereby increasing growth prospects decreasing exposure to similar shocks in the future

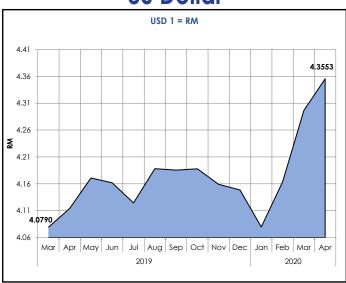
Countries are beginning to open their economies. As the storm is still raging and threatens a return through a second wave, the time now is for action rather than reflection. There is a possibility of heightened international cooperation to foster multilateral responses or the alternative, there can be increased global fragmentation. At a high level, international cooperation has supplied by the G20, under the current chairmanship Saudi Arabia. G20's messaging has set the tone more generally for the direction that the trade response to the pandemic should take – that trade measures should be "targeted, proportionate, transparent and temporary". But G20 the does not regulate. International trade obligations are the province of the World Trade Organization (the WTO).

For the multilateral trading system, there are three phases of response to the current challenge: first, addressing the measures nations (including European Union) put into place or should put into place to deal with the global health emergency; second, cooperation support the needed economic recovery from current devastation, and third assuring that the multilateral trading system more resilient and effective in underwriting future shared global economic growth.

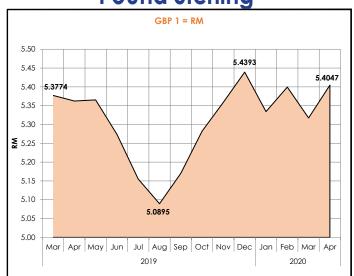
Source:https://www.wto.org/english/news e/news20 e/ddgaw 08may20 e.htm

Malaysian Ringgit Exchange Rate with Selected Countries, March 2019 - April 2020

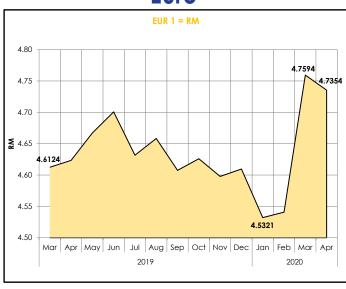
US Dollar



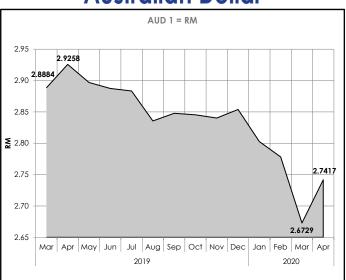
Pound Sterling



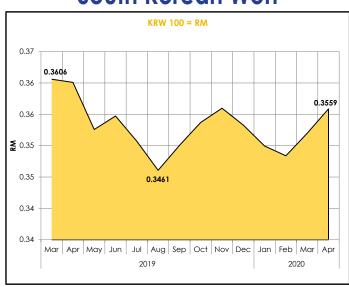
Euro



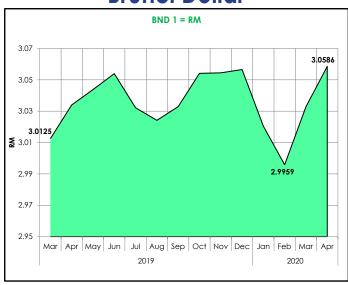
Australian Dollar



South Korean Won

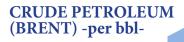


Brunei Dollar



Source : Bank Negara Malaysia

Commodity Prices





8 May 2020

Highest 2019/2020

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

30 Apr 2020 : US\$25.3 09 Aug 2019 : US\$54.5

Lowest 2019/2020

Average Price 2019 i: US\$64.2

CRUDE PALM OIL -per MT-



V2.4%* US\$472.8

8 May 2020

Highest 2019/2020

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

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

Lowest 2019/2020

Average Price 2019 i: US\$557.1

RUBBER SMR 20 -per MT-



2.3%* US\$1,106.5 8 May 2020

Average Price 2019 : US\$1,414.6

COCOA SMC 2 -per MT-



8.4%* US\$1,620.0 8 May 2020

Average Price 2019 : US\$1,592.4

SUGAR -per lbs-





Average Price 2019 : US\$12.4

COAL -per MT-



▲ 0.4%* US\$40.0

8 May 2020

Average Price 2019 i: US\$56.5

SCRAP IRON HMS -per MT-



≘%* US\$275.0 (high)

= %* U\$\$255.0 (low)

8 May 2020

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

Domestic Prices 13 March 2020



Billets (per MT) RM1,750 - RM1,800 Steel Bars (per MT) RM2,020 – RM2,170

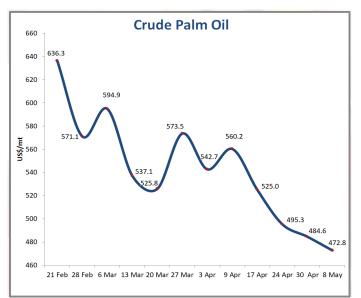
70

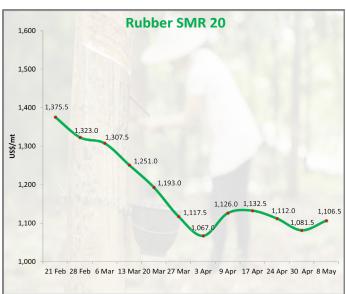
Notes: All figures have been rounded to the nearest decimal point

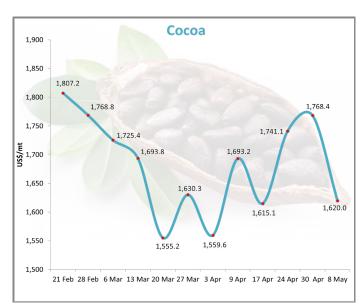
- * Refer to % change from the previous week's price
- i Average price in the year except otherwise indicated

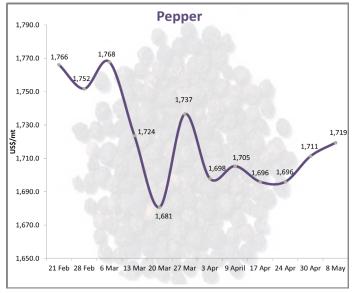
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

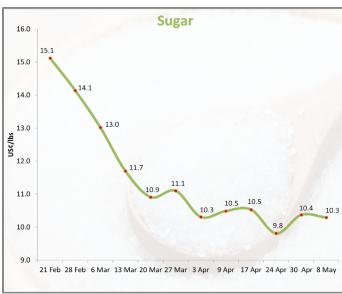
Commodity Price Trends

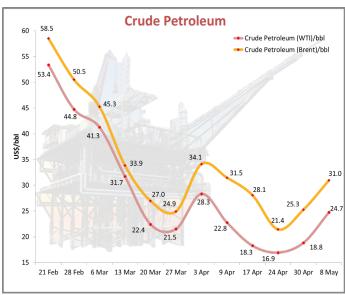






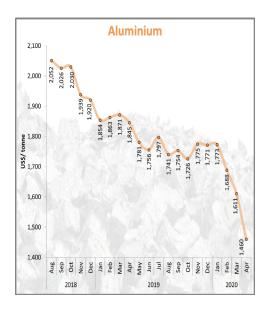


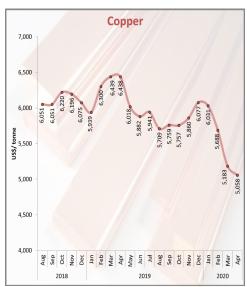


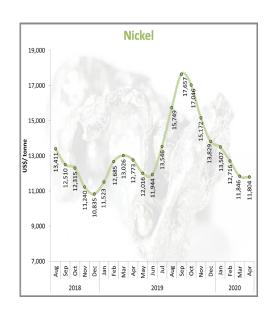


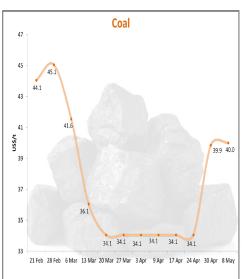
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

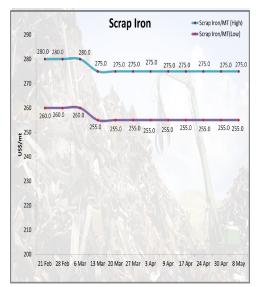
Commodity Price Trends

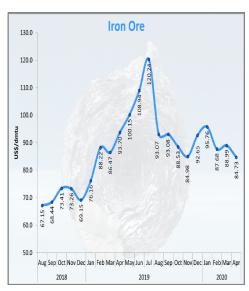


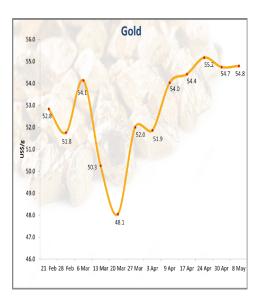


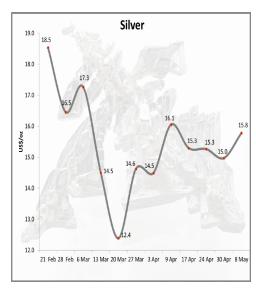


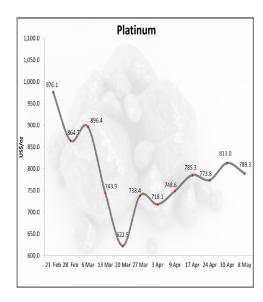












Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY



INDUSTRY4*WRD* RELATED NCENTIVES

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

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: Al, 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

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

Fax: +603 - 6202 9446

For more information, kindly click the following links:



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

INDUSTRY4*WRD* 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?





- 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: i4.0@miti.gov.my
- industry4wrd@m pc.gov.my











A FEW SIMPLE STEPS

Process Flow

Evaluation by Committees



Onsite Assessment



Receive RA Report





Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:





ADUAN MENGENAI KETIDAKPATUHAN SOP **BOLEH DIBUAT SECARA TERUS KEPADA PIHAK** BERKUASA YANG BERKAITAN SEPERTI BERIKUT:





- KEMENTERIAN PERDAGANGAN DALAM NEGERI DAN HAL EHWAL PENGGUNA (KPDNHEP)
- spip@kpdnhep.gov.my / pdnwrt@gmail.com
- PIHAK BERKUASA TEMPATAN (PBT)



- ADUAN MENGENAI KILANG-KILANG ATAU PENGUSAHA SEKTOR **PEMBUATAN**
 - KEMENTERIAN PERDAGANGAN ANTARABANGSA DAN **INDUSTRI (MITI)**
 - 🖄 covid19sec@miti.gov.my



- ADUAN MENGENAI PREMIS MAKANAN (RESTORAN, MEDAN SELERA, **PUSAT PENJAJA DLL)**
 - PIHAK BERKUASA TEMPATAN (PBT) http://jkt.kpkt.gov.my/ms/SUK%26PBT/Senarai/SenaraiPBT



- ADUAN MENGENAI PENGINAPAN ASRAMA / CLQ
 - JABATAN TENAGA KERJA (JTK)
 - jtksm@mohr.gov.my, jtknsabah@mohr.gov.my, jtknsarawak@mohr.gov.my



- 5 ADUAN MENGENAI TAPAK BINA / PREMIS
 - KEMENTERIAN KERJA RAYA (KKR) www.kkr.gov.my



- ADUAN MENGENAI SYARIKAT KAWALAN KESELAMATAN SWASTA
 - KEMENTERIAN DALAM NEGERI (KDN) 🖄 blkgerakankdn@moha.gov.my







MITI Tower, No. 7, Jalan Sultan Haji Ahmad Shah, 50480 Kuala Lumpur, Malaysia























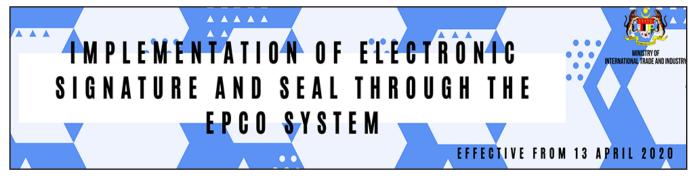




For more information, kindly click the following links: https://bit.ly/3c9KdZm



For more information, kindly click the following links:https://bit.ly/2W1T7CB



For more information, kindly click the following links: 34zeWMi



For more information, kindly click the following links: https://bit.ly/2KXgk2p



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



Kindly click the link below for any comments in this issue. MWB reserves the right to edit and republish letters as reprints. http://www.miti.gov.my/index.php/forms/form/13