



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

# Weekly BULLETIN

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## TRADE PERFORMANCE FOR MARCH 2022 AND THE PERIOD OF JANUARY- MARCH 2022

### Trade, Exports and Imports Reached Highest Monthly Value

Malaysia's trade continued its stellar performance in March 2022, registering an all-time record high for trade, exports and imports. Trade expanded by 27.3% to RM236.57 billion compared to March 2021, the 14th consecutive month of double-digit growth. Exports grew by 25.4% to RM131.64 billion, the eighth successive month of double-digit year-on-year (y-o-y) expansion. Imports increased by 29.9% to RM104.93 billion and trade surplus rose by 10.3% to RM26.70 billion.

The export growth was contributed mainly by robust external demand for electrical and electronic (E&E) products and commodity-based products, namely palm oil and palm oil-based products, petroleum products, liquefied natural gas (LNG) as well as crude petroleum. E&E products soared to a record high in March 2022 due to stronger exports of electronic integrated circuits underpinned by growing digitalisation trends.

Exports to major markets notably ASEAN, China, the United States (US), the European Union (EU) and Japan recorded double-digit growth. Highest export monthly value was registered to ASEAN, EU and Japan.

On a month-on-month (m-o-m) basis, trade, exports, imports and trade surplus recorded double-digit growth of 28.1%, 28.7%, 27.3% and 34.8%, respectively.

Trade for the first quarter (Q1) of 2022 grew by 23.6% to RM624.86 billion, compared to Q1 2021. Exports increased by 22.2% to RM344.97 billion and imports expanded by 25.2% to RM279.89 billion. Trade surplus rose by 10.9% to RM65.08 billion. Trade, exports, imports and trade surplus registered the highest value for the period. Compared to the fourth quarter (Q4) of 2021, trade and imports were up by 0.02% and 2.1% while exports and trade surplus declined by 1.6% and 14.6%, respectively.

### Export Performance of Major Sectors

#### *Exports of Manufactured and Mining Goods Recorded the Highest Value*

Exports of manufactured goods in March 2022 reached its highest monthly value at RM109.46 billion or 83.2% of total exports, grew by 19.1% y-o-y. The growth was attributed to higher exports of E&E products, petroleum products as well as palm oil-based manufactured products, each recorded over RM1 billion increase in exports. These products collectively contributed 60.2% to exports of manufactured goods.

Exports of mining goods (8.2% share) surged by 105.8% y-o-y to RM10.77 billion, the highest monthly value. The increase was driven by higher exports of LNG and crude petroleum.

## TRADE PERFORMANCE FOR MARCH 2022 AND THE PERIOD OF JANUARY- MARCH 2022

Exports of agriculture goods (8.1% share) soared by 41.8% to RM10.61 billion compared to March 2021. This was the 13th consecutive month of double-digit growth. The expansion was contributed mainly by higher exports of palm oil and palm oil-based agriculture products.

Major exports in March 2022:

- E&E products, valued at RM52.84 billion and accounted for 40.1% of total exports, increased by 32.8% from March 2021;
- Petroleum products, RM9.33 billion, 7.1% of total exports, surged by 96.5%;
- Palm oil and palm oil-based agriculture products, RM8.52 billion, 6.5% of total exports, surged by 55.9%;
- Chemicals and chemical products, RM6.90 billion, 5.2% of total exports, increased by 9.1%; and
- Manufactures of metal, RM5.51 billion, 4.2% of total exports, increased by 3.5%.

Compared to February 2022, exports of manufactured, mining and agriculture goods rose by 25.6%, 57.8% and 34.9%, respectively. For the period of January to March 2022, exports of manufactured goods expanded by 17.8% to RM291.66 billion compared to the same period of 2021. The export expansion was supported by higher exports of E&E products, petroleum products as well as chemicals and chemical products. Exports of agriculture goods accelerated by 49.8% to RM27.22 billion buoyed by stronger exports of palm oil and palm oil-based agriculture products. Exports of mining goods surged by 58.9% to RM24.41 billion boosted by higher shipments of LNG and crude petroleum.

### Trade Performance with Major Markets

#### *ASEAN – Exports Achieved Highest Monthly Value*

In March 2022, trade with ASEAN accounted for 27.8% of Malaysia's total trade, expanding by 37.6% y-o-y to RM65.78 billion. Exports reached the highest monthly value at RM39.33 billion, growing by 37.7% due to higher exports of E&E products and petroleum products. Imports from ASEAN rose by 37.5% to RM26.45 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM20.13 billion, increased by 34%;
- Thailand RM5.8 billion, ↑32.5%;
- Viet Nam RM5.14 billion, ↑21.2%;
- Indonesia RM4.14 billion, ↑50.7%;
- Philippines RM2.69 billion, ↑64%;
- Brunei RM688.7 million, ↑181.2%;
- Myanmar RM475 million, ↑224.1%;
- Cambodia RM195.9 million, ↑26.7%; and
- Lao PDR RM82 million, ↑1,405.6%.

Exports to all markets in ASEAN recorded expansion particularly Singapore which grew by RM5.11 billion, due to higher exports of E&E products, Thailand (↑RM1.42 billion, crude petroleum), Indonesia (↑RM1.39 billion, petroleum

## TRADE PERFORMANCE FOR MARCH 2022 AND THE PERIOD OF JANUARY- MARCH 2022

products), the Philippines (↑RM1.05 billion, petroleum condensates & other petroleum oil) and Viet Nam (↑RM899.1 million, E&E products). Compared to February 2022, trade, exports and imports edged up by 28.9%, 34.1% and 22.0%, respectively.

In the first three months of 2022, trade with ASEAN increased by 28.4% to RM169.16 billion compared to the same period of 2021. Exports to this region grew by 26.3% to RM99.47 billion owing to higher exports of E&E products, petroleum products, chemicals and chemical products, machinery, equipment and parts as well as palm oil and palm oil-based agriculture products. Imports from ASEAN rose by 31.4% to RM69.69 billion.

### *China - Trade Posted 16 Months of Double-Digit Growth*

In March 2022, trade with China which made up 16.5% of Malaysia's total trade increased by 15.2% y-o-y to RM39.02 billion, the 16th consecutive month of double-digit expansion. Exports to China climbed by 10.7% to RM17.79 billion supported by higher exports of E&E products as well as palm oil and palm oil-based agriculture products. Imports from China expanded by 19.3% to RM21.23 billion. Compared to February 2022, trade, exports and imports rose by 21.3%, 16.5% and 25.6%, respectively.

Trade with China during the first three months of 2022 edged up by 20.4% to RM111.36 billion compared to the same period of 2021. Exports climbed by 19.2% to RM50.07 billion on account of higher exports of E&E products and LNG. Imports from China increased by 21.3% to RM61.29 billion.

### *The US – Trade, Exports & Imports Registered Double-Digit Growth*

Trade with the US in March 2022 comprised 8.9% of Malaysia's total trade or RM20.97 billion. Trade recorded the seventh successive month of double-digit expansion, rising by 14.8% y-o-y. Exports expanded by 10.3% to RM13.58 billion on the back of higher exports of E&E products as well as iron and steel products. Imports from the US increased by 24.3% to RM7.39 billion. On a m-o-m basis, trade, exports and imports rose by 21.9%, 30.7% and 8.4%, respectively.

For the period of January to March 2022, trade with the US expanded by 15.1% to RM56.66 billion compared to the same period of 2021. Exports grew by 10.7% to RM36.09 billion on higher exports of E&E products as well as iron and steel products. Imports from the US edged up by 23.8% to RM20.57 billion.

### *The EU – Exports Recorded Highest Value*

Trade with the EU which represented 7.7% of Malaysia's total trade in March 2022, grew by 13% y-o-y to RM18.32 billion. This was the 14th consecutive month of double-digit growth. Exports registered highest value at RM11.64 billion, increasing by 18.1% bolstered by stronger exports of E&E products. Imports from the EU expanded by 5.1% to RM6.69 billion.

Breakdown of exports to the top 10 EU markets which accounted for 92% of Malaysia's total exports to the EU were:

## TRADE PERFORMANCE FOR MARCH 2022 AND THE PERIOD OF JANUARY- MARCH 2022

- Netherlands RM3.72 billion, increased by 26.1%;
- Germany RM2.85 billion, ↑10%;
- Italy RM1.13 billion, ↑62%;
- Belgium RM981.3 million, ↑60.6%;
- France RM496.4 million, ↓18%;
- Spain RM413.9 million, ↓12.2%;
- Czech Republic RM345.6 million, ↑17%;
- Poland RM310.5 million, ↓0.6%;
- Slovenia RM251.3 million, ↓0.6%; and
- Sweden RM209.1 million, ↑0.8%.

Exports to the EU major markets that grew were the Netherlands which increased by RM769.1 million and Germany (↑RM259.5 million) due to higher demand for E&E products. Italy expanded by RM431.8 million led by stronger exports of manufactures of metal. On a month-on-month basis, trade, exports and imports registered double-digit growth of 22%, 27.1% and 14.1%, respectively. During the first three months of 2022, trade with the EU was up by 18.2% to RM49.86 billion compared to the same period of 2021. Exports rose by 17.2% to RM30.02 billion, following higher exports of E&E products as well as palm oil-based manufactured products. Imports from the EU increased by 19.8% to RM19.84 billion.

### *Japan – Exports Soared to a Record High*

In March 2022, trade with Japan which accounted for 6.8% of Malaysia's total trade rose by 16.7% y-o-y to RM16.1 billion. Exports soared to an all-time high at RM8.8 billion, up by 30.6%, registering 13 consecutive months of double-digit expansion. The growth was supported by higher exports of LNG, crude petroleum and manufactures of metal. Imports from Japan grew by 3.4% to RM7.3 billion. Compared to February 2022, trade, exports and imports climbed by 26.8%, 32.5% and 20.6%, respectively.

For the period of January to March 2022, trade with Japan rose by 13.3% to RM41.75 billion compared to the same period of 2021. Exports expanded by 19.6% to RM22.68 billion underpinned by higher exports of LNG, manufactures of metal and crude petroleum. Imports from Japan increased by 6.5% to RM19.07 billion.

### **Trade with FTA Partners**

In March 2022, trade with Free Trade Agreement (FTA) partners which represented 65.9% of Malaysia's total trade registered double-digit growth of 25.8% y-o-y to RM156 billion. Exports to FTA partners grew by 27.9% to RM88.92 billion and imports rose by 23.1% to RM67.07 billion.

Increases in exports were recorded to the Republic of Korea, by 58.5% to RM4.94 billion due to higher exports of LNG, Australia, (↑44.9% to RM3.52 billion, petroleum products), India, (↑25.4% to RM4.5 billion, crude petroleum), Hong Kong SAR, (↑5.3% to RM7.15 billion, E&E products) and New Zealand (↑36.1% to RM405.1 million, chemicals and chemical products). Meanwhile,

## TRADE PERFORMANCE FOR MARCH 2022 AND THE PERIOD OF JANUARY- MARCH 2022

Turkey increased by 24.2% to RM1.78 billion and Pakistan (↑47.5% to RM634.2 million) supported by higher exports of palm oil and palm oil-based agriculture products. Compared to February 2022, trade, exports and imports grew by 25.2%, 28.3% and 21.3%, respectively.

Trade with FTA partners during the first three months of 2022 which constituted 67% of Malaysia's total trade rose by 23.5% to RM418.5 billion compared to the same period of 2021. Exports was up by 23.9% to RM233.7 billion and imports increased by 22.9% to RM184.79 billion.

### Import Performance

Total imports in March 2022 increased by 29.9% y-o-y to RM104.93 billion. The three main categories of imports by end use which accounted for 73.5% of total imports were:

- Intermediate goods, valued at RM58.87 billion or 56.1% of total imports, increased by 34.9%, following higher imports of fuels and lubricants, primary, particularly mineral fuels and oils;
- Capital goods, valued at RM9.51 billion or 9.1% of total imports, grew by 14.3%, due to higher imports of capital goods (except transport equipment), primarily parts for machinery and mechanical appliances; and
- Consumption goods, valued at RM8.73 billion or 8.3% of total imports, rose by 22.4%, as a result of higher imports of processed food and beverages mainly for household consumption especially beverages.

During the period of January to March 2022, imports expanded by 25.2% to RM279.89 billion from the same period of 2021. Imports of intermediate goods grew by 29.2% to RM156.83 billion, capital goods (↑17.9% to RM27.29 billion) and consumption goods (↑24.5% to RM24.36 billion).

**MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY**  
**18 APRIL 2022**

## EXTERNAL TRADE, MARCH 2022

## Trade, Exports and Imports Hit New Record High

Malaysia's trade maintained its stellar performance in March 2022, registering an all-time record high for trade, exports and imports. Exports posted 8 consecutive months of double-digit expansion. All major products and markets recorded significant export and import growth.

TRADE	EXPORTS	IMPORTS	TRADE SURPLUS
RM236.57 bil ↑27.3%	RM131.64 bil ↑25.4%	RM104.93 bil ↑29.9%	RM26.70 bil ↑10.3%

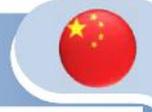
TOP MARKETS  
EXPORT & IMPORT

69.2% of exports

**ASEAN**  
RM39.33 bil, (↑37.7%)



**CHINA**  
RM17.79 bil, (↑10.7%)



**USA**  
RM13.58 bil, (↑10.3%)



**EU**  
RM11.64 bil, (↑18.1%)



**JAPAN**  
RM8.8 bil, (↑30.6%)



67.6% of imports

**ASEAN**  
RM26.45 bil, (↑37.5%)



**CHINA**  
RM21.23 bil, (↑19.3%)



**TAIWAN**  
RM8.55 bil, (↑49.2%)



**USA**  
RM7.39 bil, (↑24.3%)



**JAPAN**  
RM7.3 bil, (↑3.4%)



63.1% of exports

**E&E Products**  
RM52.84 bil, (↑32.8%)



**Petroleum Products**  
RM9.33 bil, (↑96.5%)



**Palm Oil (Agriculture)**  
RM8.52 bil, (↑55.9%)



**Chemical Products**  
RM6.9 bil, (↑9.1%)

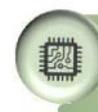


**Manufactures of Metal**  
RM5.51 bil, (↑3.5%)



61.8% of imports

**E&E Products**  
RM31.68 bil, (↑28.8%)



**Chemical Products**  
RM10.27 bil, (↑26.5%)



**Petroleum Products**  
RM9.07 bil, (↑48.8%)



**Machinery Equipment**  
RM7.2 bil, (↑28.8%)



**Crude Petroleum**  
RM6.61 bil, (↑1,163.5%)

TOP  
EXPORT  
&  
IMPORT  
PRODUCTS

Source: Department of Statistics, Malaysia (DOSM)

## EXTERNAL TRADE, MARCH 2022

## Trade Performance Continued to Grow at a Robust Pace for the First Three Months of 2022

Trade, exports, imports and trade surplus for January to March 2021 registered the highest value for the period. Exports and imports for all major products and markets recorded expansion.

TRADE	EXPORTS	IMPORTS	TRADE SURPLUS
RM624.86 bil ↑23.6%	RM344.97 bil ↑22.2%	RM279.89 bil ↑25.2%	RM65.08 bil ↑10.9%

### TOP MARKETS EXPORT & IMPORT

69.1% of exports

**ASEAN**

RM99.47 bil, (↑26.3%)



69% of imports

**ASEAN**

RM69.69 bil, (↑31.4%)

**CHINA**

RM50.07 bil, (↑19.2%)

**CHINA**

RM61.29 bil, (↑21.3%)

**USA**

RM36.09 bil, (↑10.7%)

**TAIWAN**

RM21.79 bil, (↑34.2%)

**EU**

RM30.02 bil, (↑17.2%)

**USA**

RM20.57 bil, (↑23.8%)

**JAPAN**

RM22.68 bil, (↑19.6%)

**EU**

RM19.84 bil, (↑19.8%)

63.2% of exports

**E&E Products**

RM137.35 bil, (↑27.2%)



62.6% of imports

**E&E Products**

RM87.6 bil, (↑25.9%)

**Petroleum Products**

RM23 bil, (↑43.9%)



### TOP EXPORT & IMPORT PRODUCTS

**Chemical Products**

RM28.77 bil, (↑33.7%)

**Palm Oil (Agriculture)**

RM21.64 bil, (↑69.9%)

**Petroleum Products**

RM24.17 bil, (↑37.3%)

**Chemical Products**

RM19.73 bil, (↑21.8%)

**Machinery Equipment**

RM20.42 bil, (↑30.4%)

**Manufactures of Metal**

RM16.27 bil, (↑27.3%)

**Manufactures of Metal**

RM14.28 bil, (↑6.2%)

Source: Department of Statistics, Malaysia (DOSM)

## RUBBER STATISTICS, FEBRUARY 2022

**PRODUCTION**  
(tonnes) ↓ 39.0%

49,087 tonnes



January 2022

29,920 tonnes

February 2022<sup>P</sup>

**AVERAGE PRICE**  
(sen/kg)

↑ 0.9%

S.M.R. 20

February 2022 : 740.47

January 2022 : 734.05

↑ 15.0%

Concentrate Latex

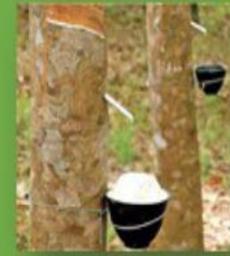
February 2022: 658.14

January 2022 : 572.08

**STOCKS**

February 2022<sup>P</sup>: 318,699 tonnes ↑ 2.8%

January 2022 : 310,002 tonnes



**MONTHLY RUBBER  
STATISTICS  
FEBRUARY 2022**

**DOMESTIC CONSUMPTION**

February 2022<sup>P</sup>: 39,865 tonnes ↓ 8.1%

January 2022 : 43,390 tonnes



Rubber gloves



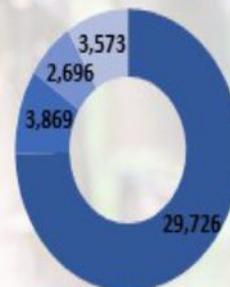
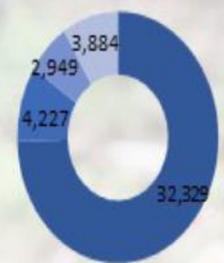
Rubber thread



Tyres &amp; Tube



Others

February 2022<sup>P</sup>

January 2022

**IMPORTS**

February 2022<sup>P</sup>: 112,783 tonnes ↓ 19.5%

January 2022 : 140,024 tonnes

<sup>P</sup> Preliminary

**EXPORTS**

February 2022<sup>P</sup>: 47,682 tonnes ↓ 6.8%

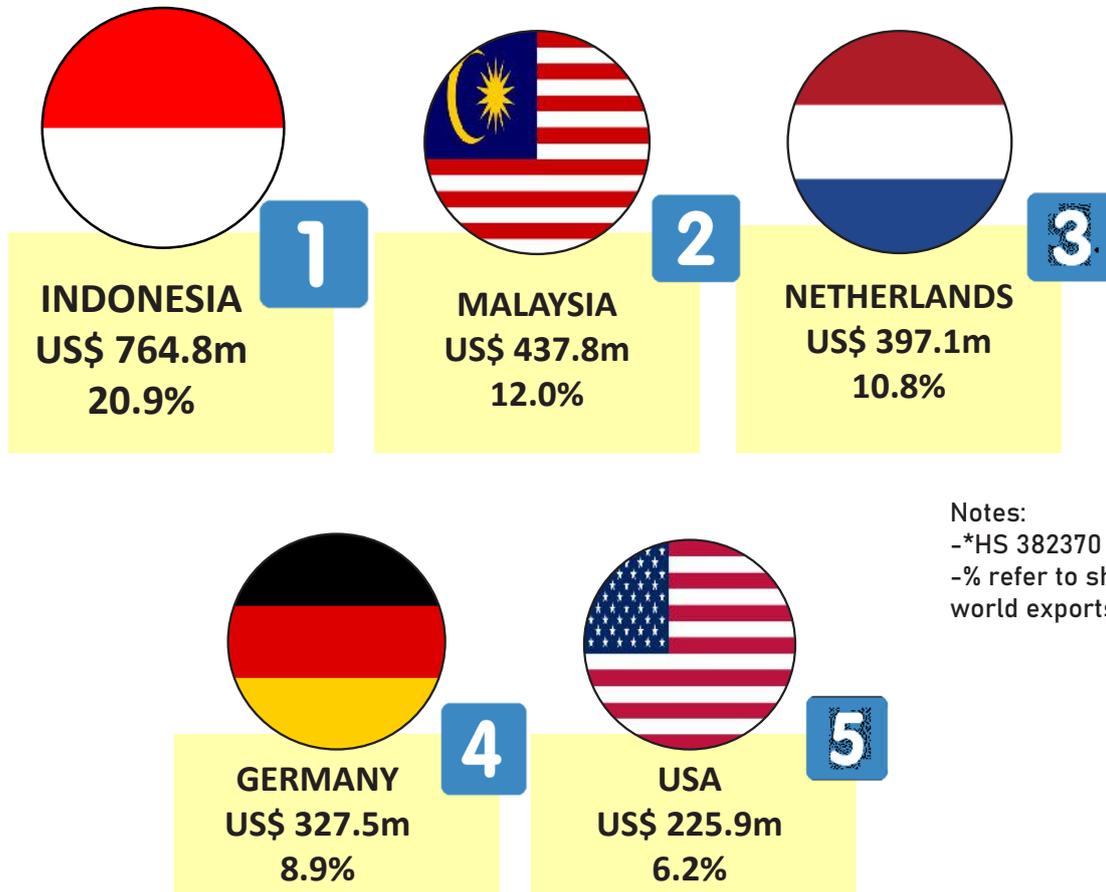
January 2022 : 51,160 tonnes



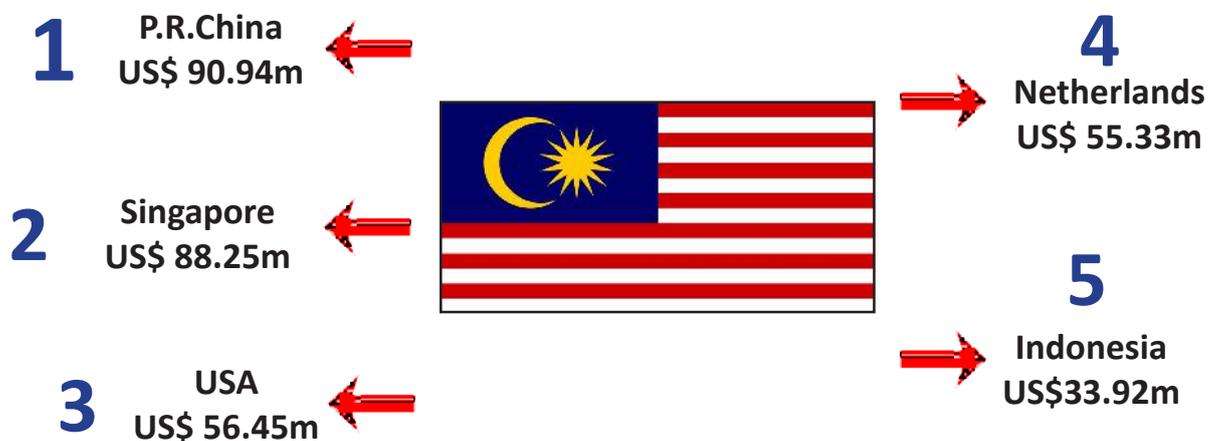
Source: Monthly Rubber Statistics, Malaysia, February 2022

## MALAYSIA AS SECOND LARGEST EXPORTERS IN THE WORLD OF FATTY ALCOHOLS, INDUSTRIAL

In 2020, Malaysia's export of Fatty alcohols, industrial recorded US\$ 437.8 million which was 12.0% share of the world exports.



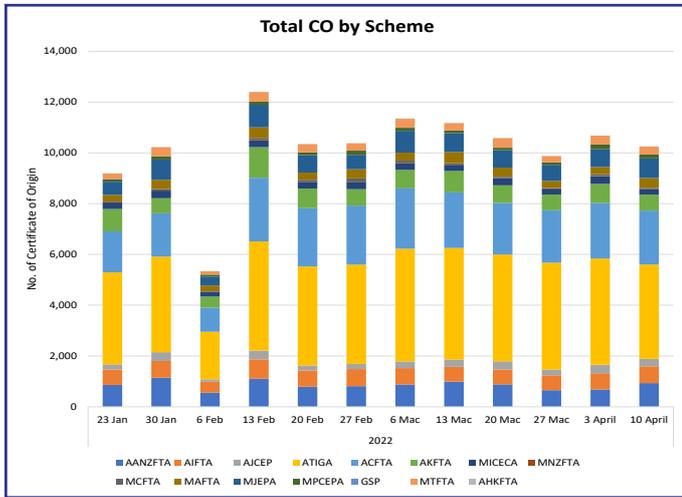
### MALAYSIA'S TOP EXPORT DESTINATIONS



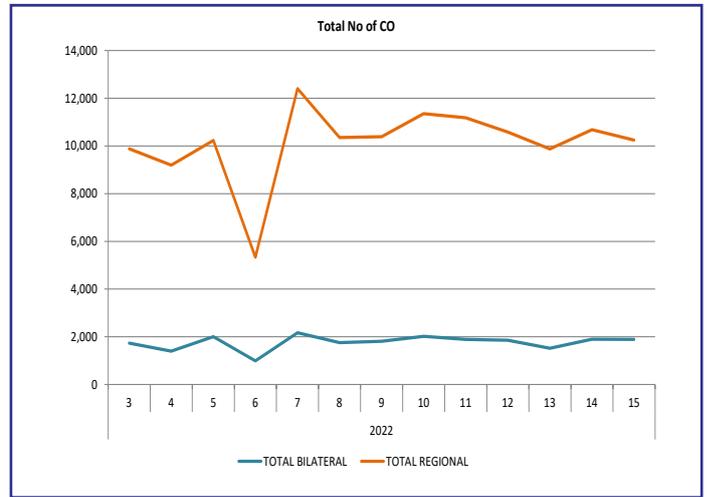
Source: <https://www.trademap.org/index.aspx>

# Number and FOB Value of PCO as at 10 April 2022 Weekly / Monthly/ Annually

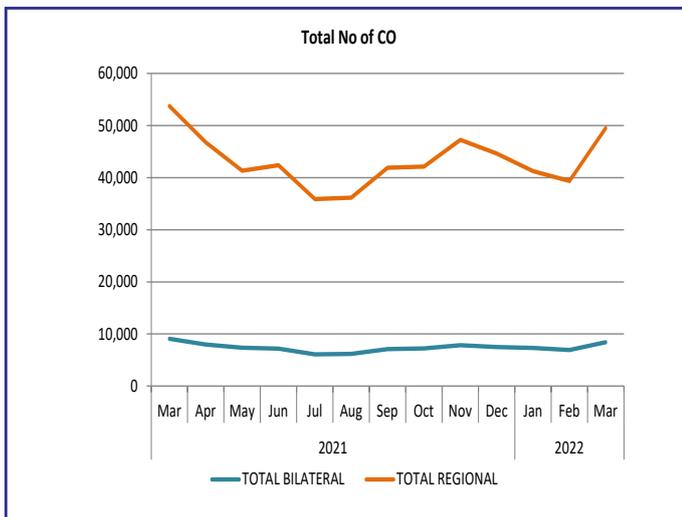
## Weekly Total Scheme



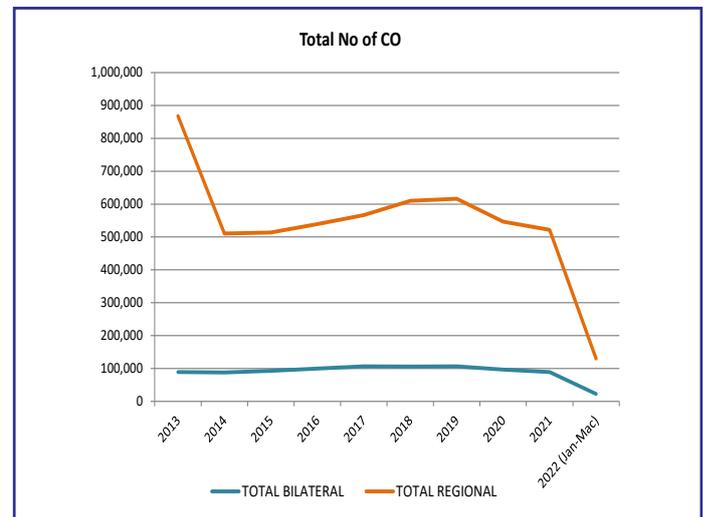
## Weekly



## Monthly



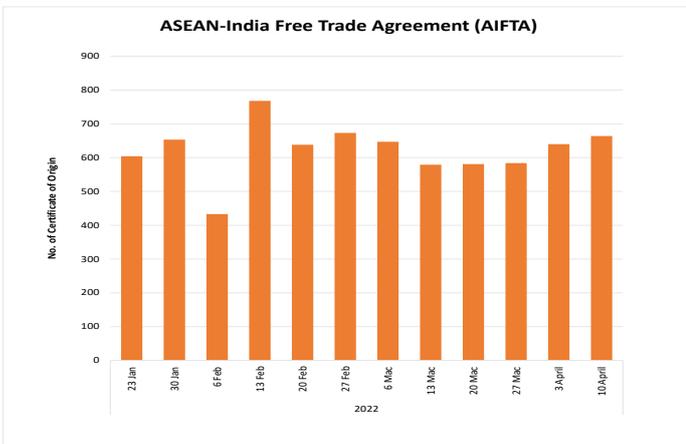
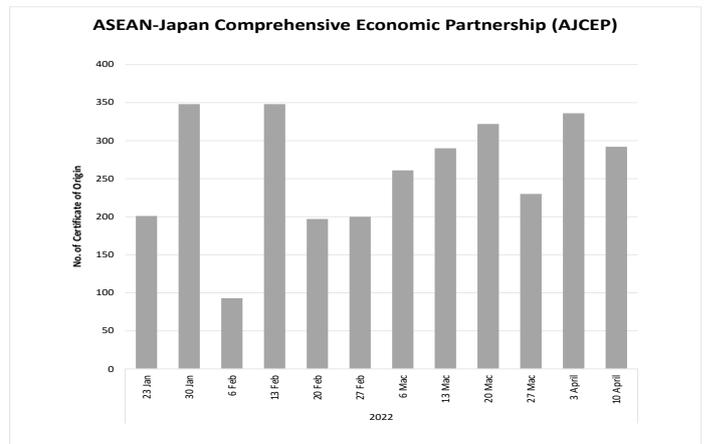
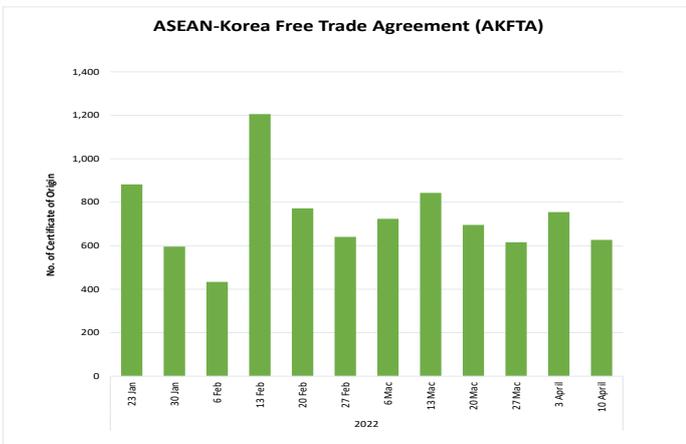
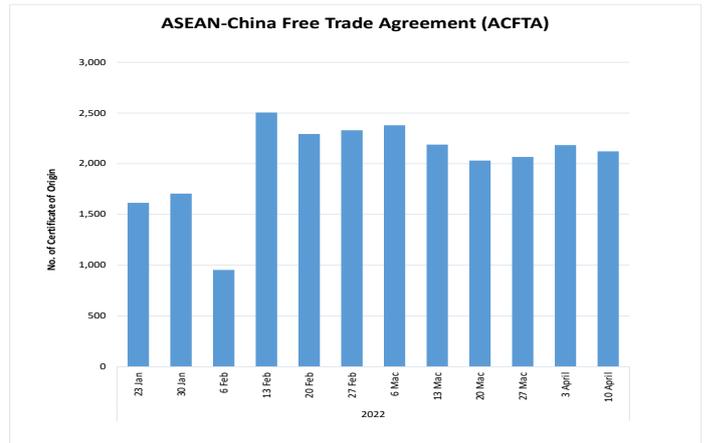
## Annually



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

# Regional FTA

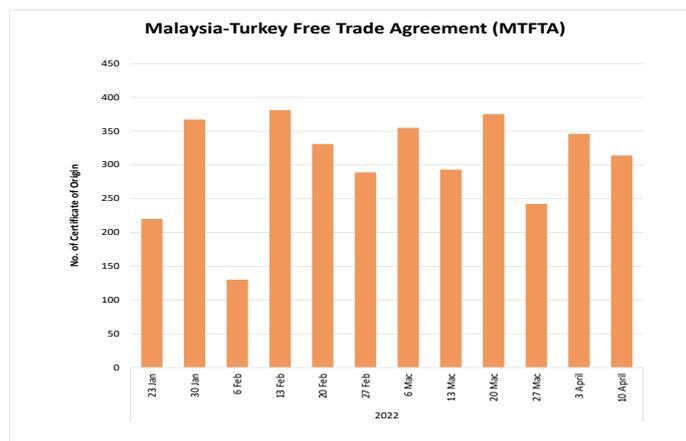
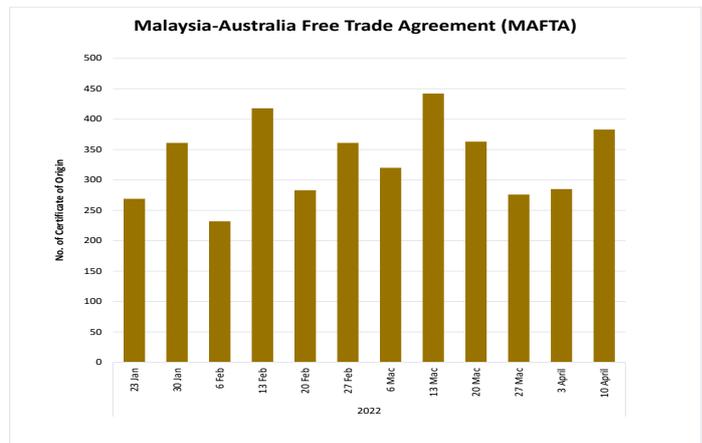
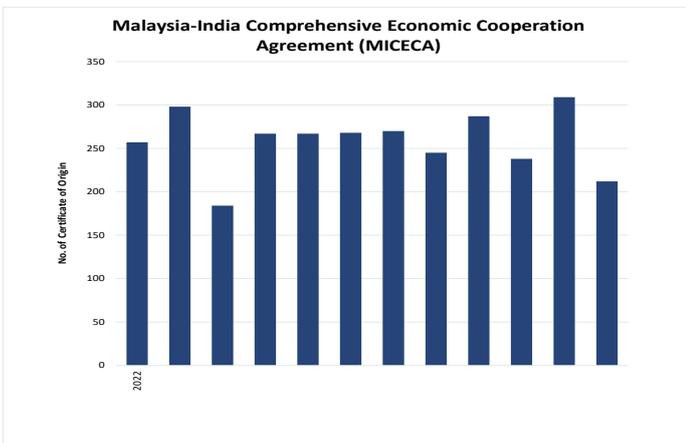
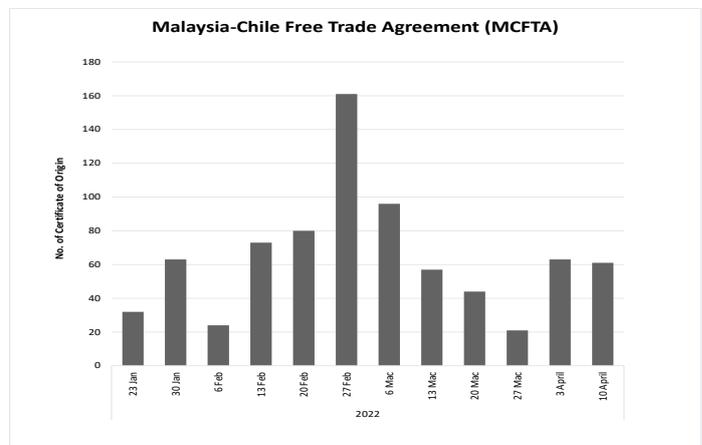
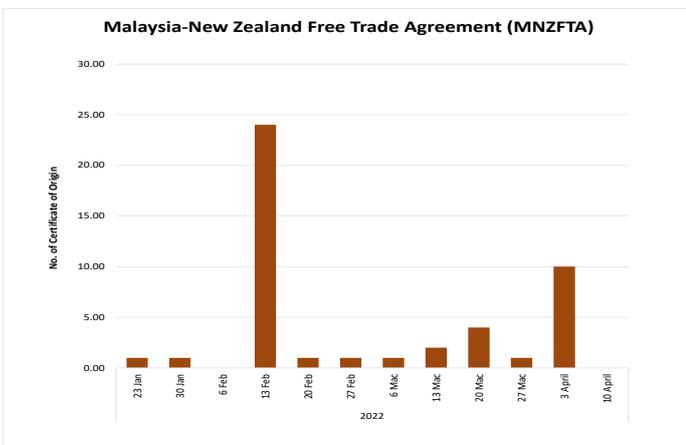
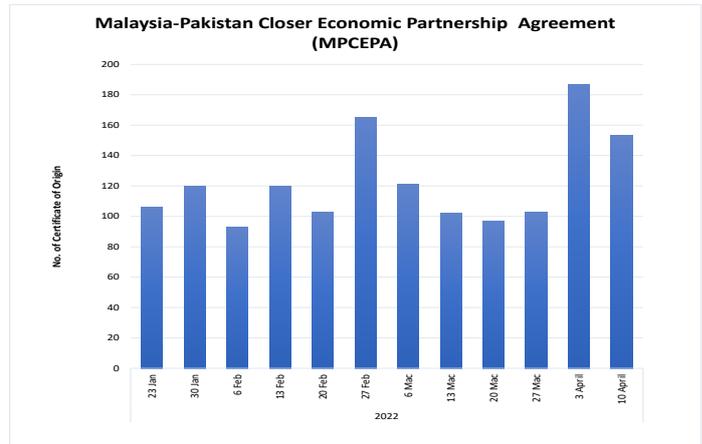
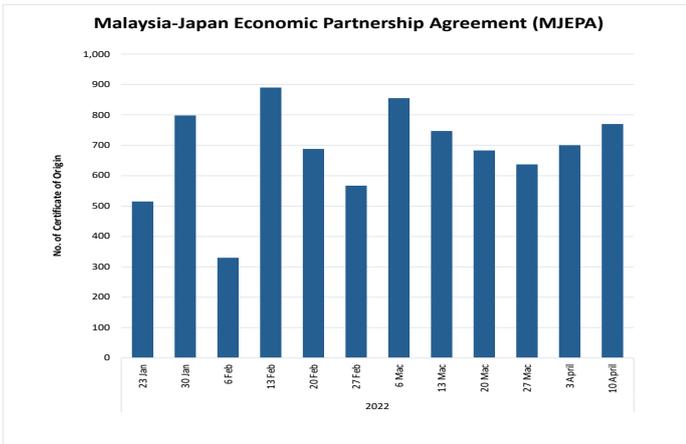
## Number of Preferential Certificates of Origin (PCOs) as at 10 April 2022



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

# Bilateral FTA

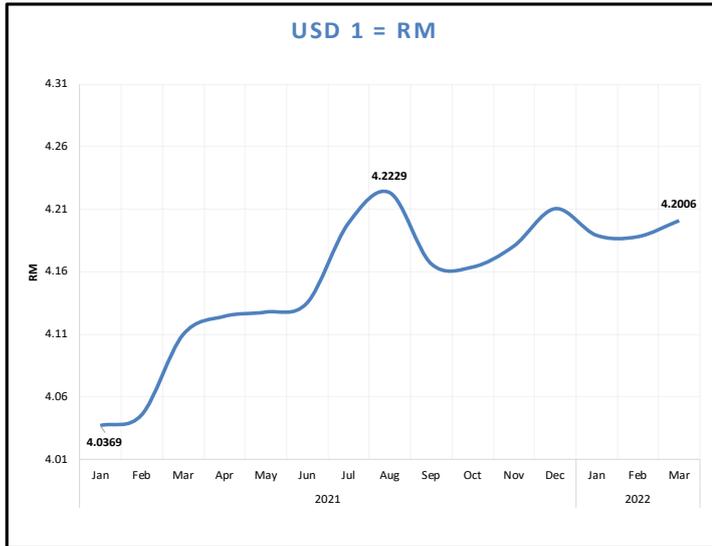
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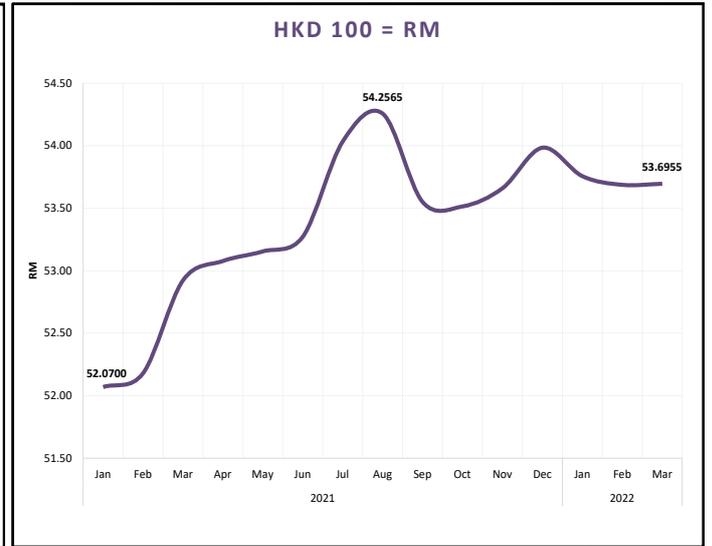
Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

# Malaysian Ringgit Exchange Rate with Selected Countries, January 2021 - March 2022

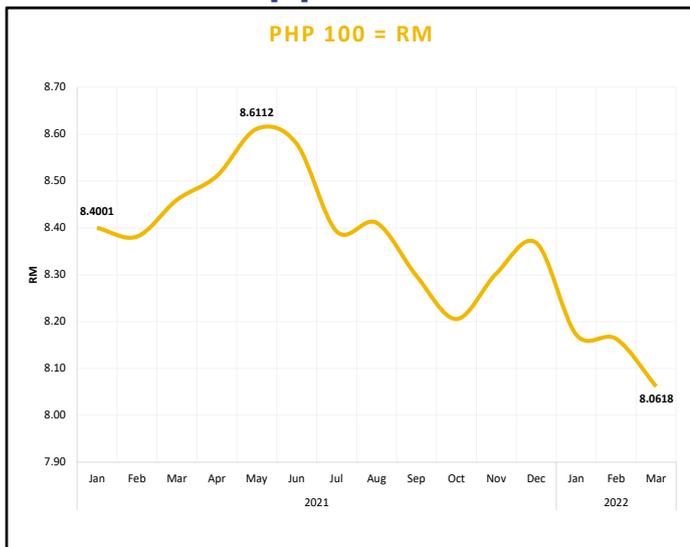
## US Dollar



## Hong Kong Dollar



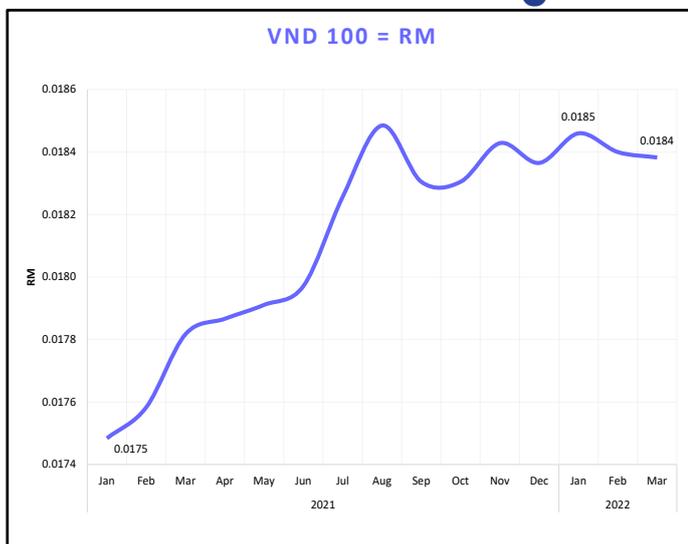
## Philippine Peso



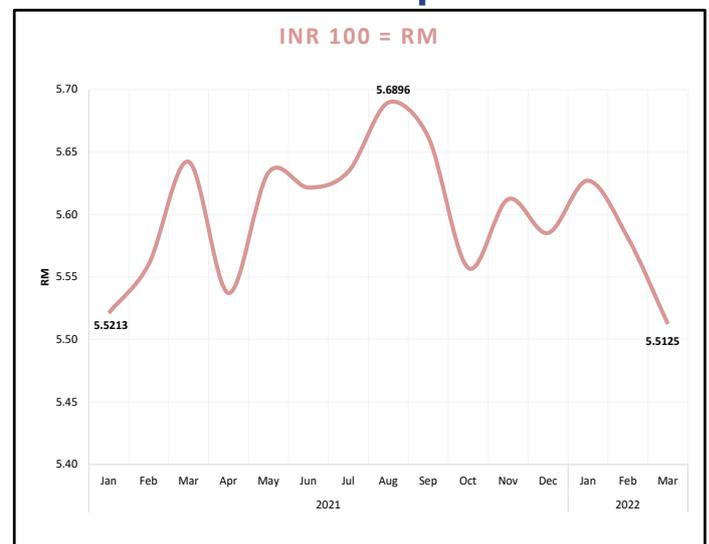
## Indonesian Rupiah



## Vietnamese Dong



## Indian Rupee



Source : Bank Negara Malaysia

# Commodity Prices

## CRUDE PETROLEUM (BRENT) -per bbl-



▲ 10.2%\*  
US\$111.2  
14 Apr 2022

Highest  
2021/2022

25 Mar 2022 : US\$120.7  
22 Oct 2021 : US\$85.5

7 Jan 2022 : US\$81.8  
15 Jan 2021 : US\$55.1

Lowest  
2021/2022

Average Price 2021 <sup>i</sup>: US\$71.1

## CRUDE PALM OIL -per MT-



▲ 1.4%\*  
US\$1,570.1  
14 Apr 2022

Highest  
2021/2022

11 Mar 2022 : US\$1,774.7  
29 Oct 2021 : US\$1,302.0

14 Jan 2022 : US\$1,267.7  
18 Jun 2021 : US\$844.6

Lowest  
2021/2022

Average Price 2021 <sup>i</sup>: US\$1,075.3

## RUBBER SMR 20 -per MT-



▼ 0.9%\*  
US\$1,737.5  
14 Apr 2022

Average Price 2021 <sup>i</sup>: US\$1,689.1

## COCOA SMC 2 -per MT-



▲ 0.5%\*  
US\$1,625.9  
14 Apr 2022

Average Price 2021 <sup>i</sup>: US\$1,505.9

## SUGAR -per lbs-



▼ 1.2%\*  
US\$20.0  
14 Apr 2022

Average Price 2021 <sup>i</sup>: US\$17.9

## COAL -per MT-



▲ 9.3%\*  
US\$322.6  
14 Apr 2022

Average Price 2021 <sup>i</sup>: US\$120.5

## SCRAP IRON HMS -per MT-



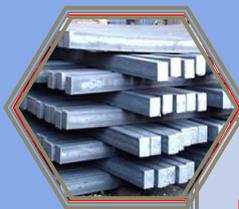
▼ 0.6%\*  
US\$645.0  
(high)  
▼ 3.0%\*  
US\$587.0  
(low)  
14 Apr 2022

Average Price 2021 <sup>i</sup>: US\$486.4 (high)

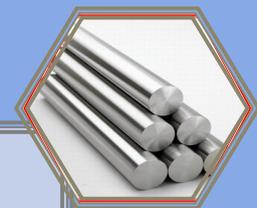
Average Price 2021 <sup>i</sup>: US\$468.1 (low)

## Domestic Prices

14 Apr 2022



**Billets**  
(per MT)  
RM3,200- RM3,300



**Steel Bars**  
(per MT)  
RM3,450 – RM3,600

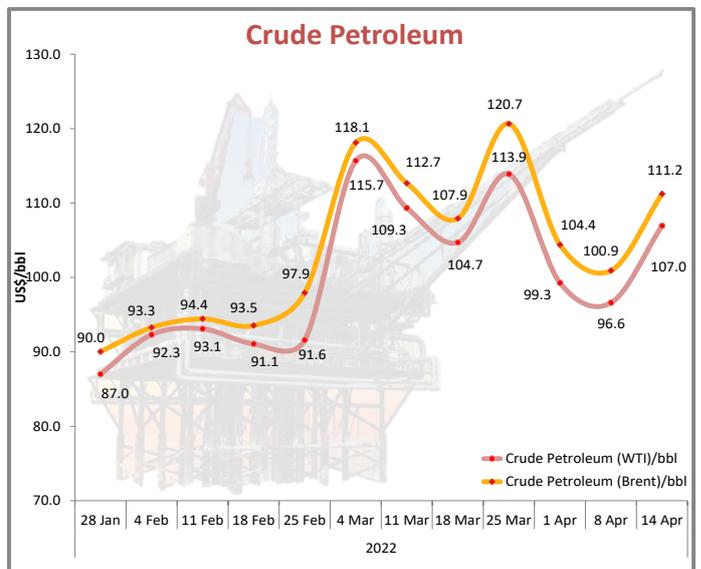
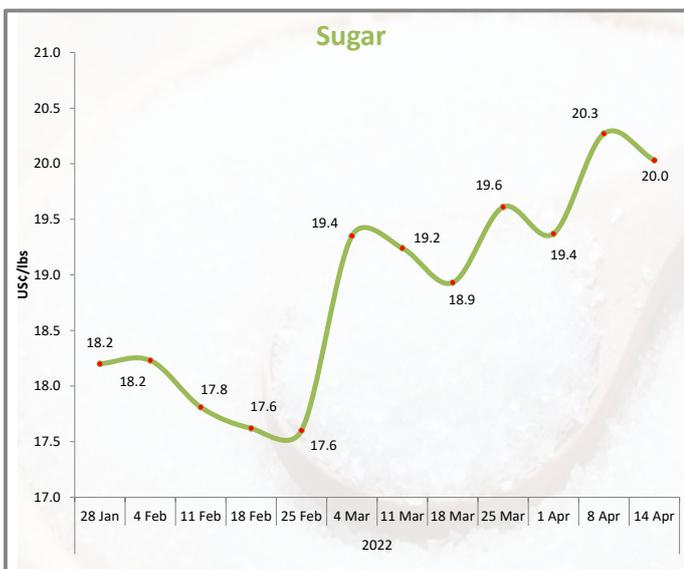
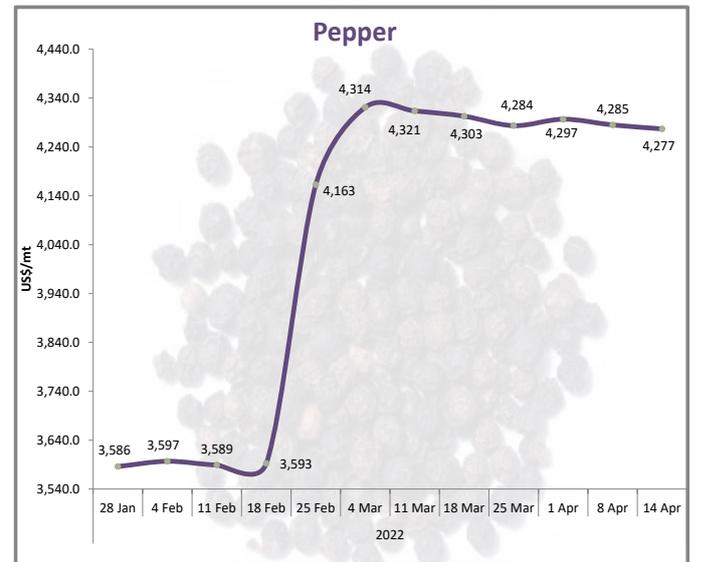
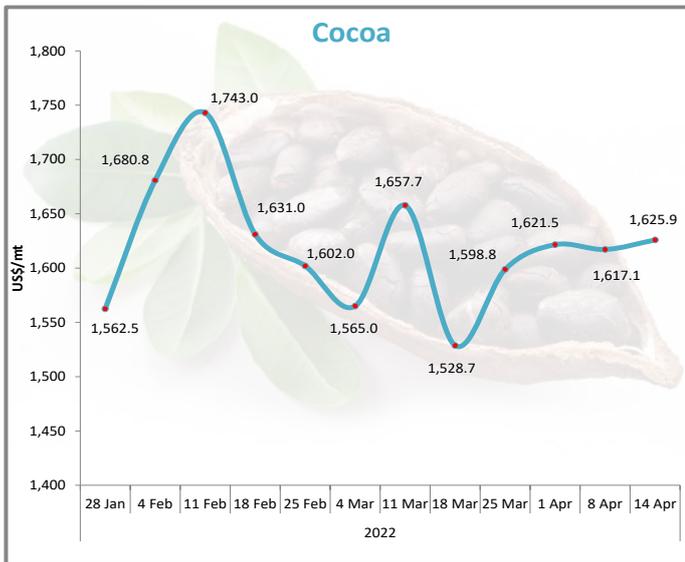
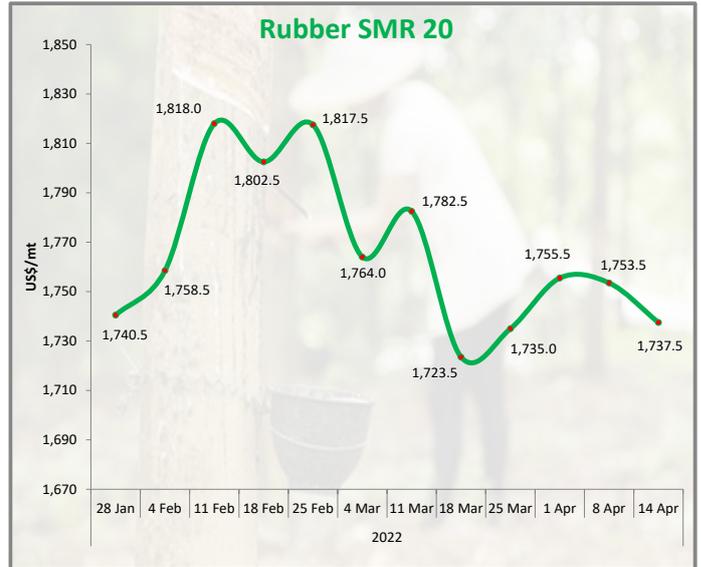
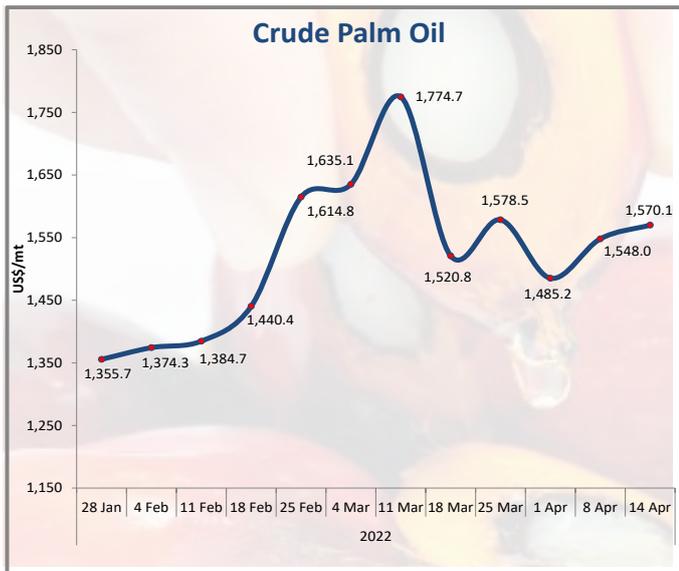
Notes: All figures have been rounded to the nearest decimal point

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

<sup>i</sup> Average price in the year except otherwise indicated

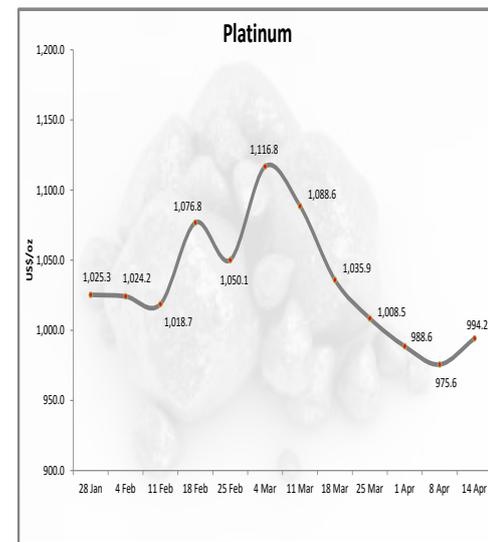
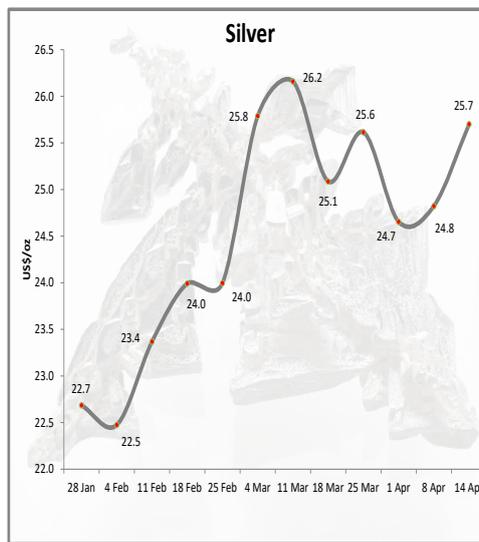
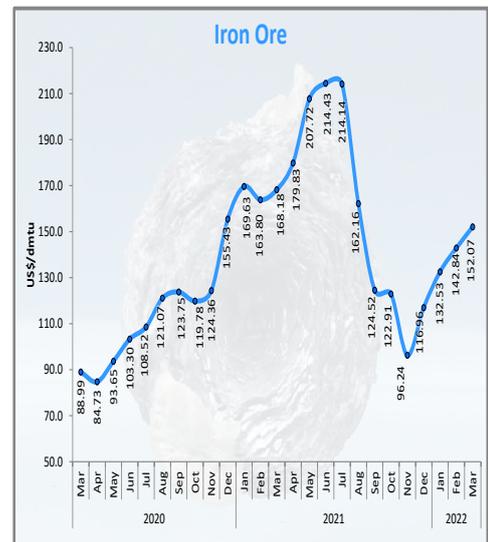
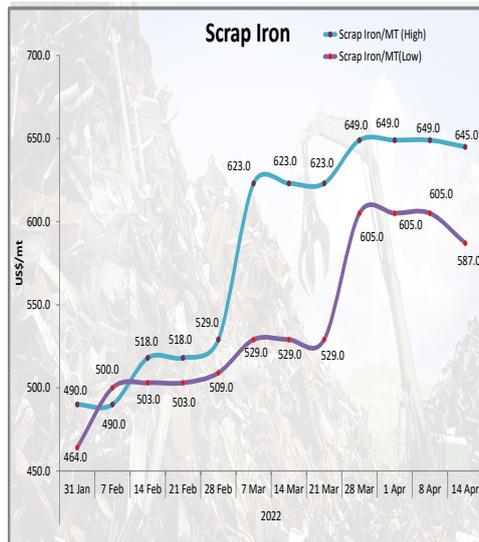
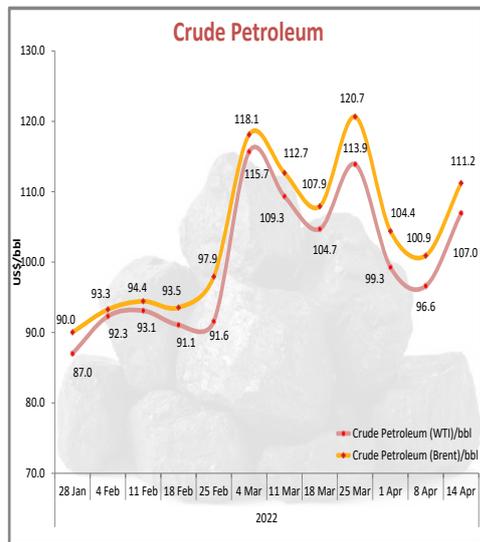
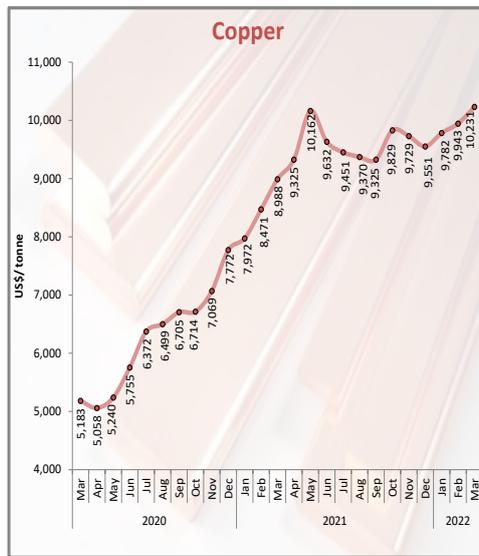
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

# 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.

# RCEP

## REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



### THE RCEP COVERS:

- 1 Elimination or reduction of import duties
- 2 Promotion, facilitation, protection and investment liberalisation
- 3 Protection of intellectual property rights, facilitation in e-commerce
- 4 Economic and technical cooperation

### RCEP CONSISTS OF

**10** ASEAN member countries

**5** ASEAN FTA Partner countries

### MAIN OBJECTIVES OF RCEP

- 1 Strengthening regional value chain
- 2 User friendly and easy to use
- 3 Modern, comprehensive and high quality

ALL YOU NEED TO KNOW

# RCEP

## Regional Comprehensive Economic Partnership (RCEP)

The Regional Comprehensive Economic Partnership (RCEP) Agreement is designed to broaden and deepen ASEAN's engagement with Australia, China, Japan, Korea and New Zealand. The objective of the trade agreement is to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development in the region.



### 2012

The decision to initiate the Regional Comprehensive Economic Partnership (RCEP) Agreement begins at the 21st ASEAN Summit

### 2020

The RCEP is officially signed by 10 ASEAN member countries along with five ASEAN FTA partner countries after 31 rounds of formal negotiations

### Total Population 2.2 billion

Total GDP US\$24.8 billion  
28.9% of the world's GDP

### PRIMARY OBJECTIVES

The RCEP Agreement is created to establish a modern, comprehensive, high-quality, and mutually beneficial economic partnership that will facilitate the expansion of regional trade and investment and contribute to global economic growth and development amongst RCEP member countries.

The single regional free trade agreement (FTA) is also intended to strengthen regional value chain for businesses in the region, particularly the Small and Medium Enterprises (SMEs).

It is designed to create and support an open, inclusive, and rules-based multilateral trading system, which will in turn create avenues for market and employment opportunities for businesses and people within the region.

The trade agreement will allow businesses in RCEP member countries to gain access to a much wider regional market. Progressive elimination and reduction of customs duties for trade in goods as well as facilitation of export and import of goods among the RCEP countries will serve to enhance inter and intra regional trade and investment whilst strengthening regional value chains.

To serve as a vital economic tool to spur economic growth in the region. It will also allow more seamless opening of markets whilst creating uninterrupted supply chains within the region. The trade agreement is also intended to help facilitate transparency, information exchange and better compliance for technical regulations and standards amongst RCEP member countries.

### KEY FEATURES OF THE RCEP



#### Trade In Goods

Progressive elimination of tariff and non-tariff barriers on substantially all trade in goods including the related chapters of rules of origin, customs procedures, sanitary and phytosanitary measures, standards, technical regulations and conformity assessment procedures and trade remedies in order to establish a free trade area among the parties.



#### Trade In Services

Liberalisation of services sectors, including financial services, telecommunications services and movement of natural persons. The RCEP will be comprehensive, of high quality and substantially eliminate restrictions and/or discriminatory measures with respect to trade in services between the RCEP participating countries. Rules and obligations on trade in services under the RCEP will be consistent with the General Agreement on Trade in Services (GATS).



#### Investment

Promotion, facilitation, protection and liberalisation of investment. The RCEP will aim to create a liberal, facilitative, and competitive investment environment in the region based on these four pillars in order to create an enabling investment environment in the region along with improved investment facilitation provisions as well as investor aftercare.

#### Economic & Technical Cooperation

The economic and technical cooperation provisions in the RCEP will build upon existing economic cooperation arrangements between ASEAN and ASEAN's FTA partners to narrow the development gaps amongst member countries. Under the RCEP agreement, cooperation activities will also include trade activities such as include e-commerce and other areas that would be mutually agreed upon by the RCEP participating countries.



#### Protection Of Intellectual Property Rights

Aimed at reducing IP-related barriers to trade and investment by promoting economic integration and cooperation in the utilization, protection and enforcement of intellectual property rights amongst RCEP member countries.



MINISTRY OF  
INTERNATIONAL TRADE AND INDUSTRY



# 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](http://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](http://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](http://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](http://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](http://www.mida.gov.my)

For more information, kindly click the following links:

[https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab\\_547\\_2202](https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab_547_2202)



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.

### 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](mailto:i4.0@miti.gov.my)
- RA: [industry4wrd@mpc.gov.my](mailto:industry4wrd@mpc.gov.my)



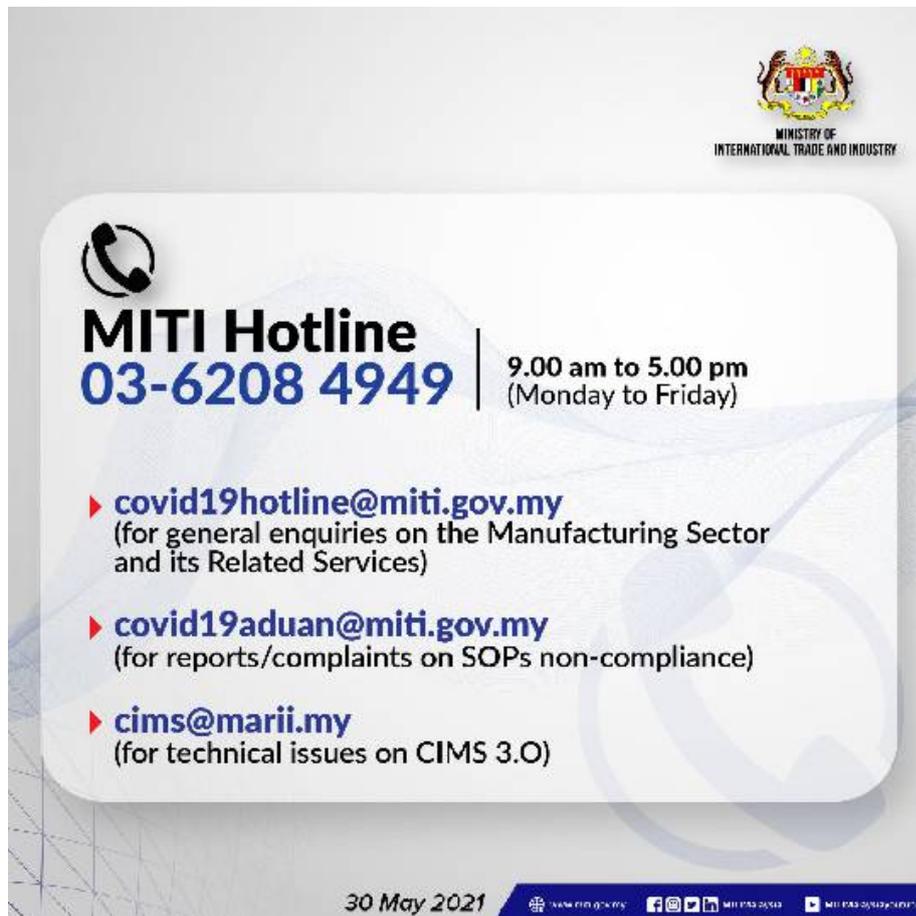
### Process Flow

A FEW SIMPLE STEPS



For more information, kindly click the following links:

<https://www.miti.gov.my/index.php/pages/view/industry4WRD>



  
MINISTRY OF  
INTERNATIONAL TRADE AND INDUSTRY

  
**MITI Hotline**  
**03-6208 4949** | 9.00 am to 5.00 pm  
(Monday to Friday)

- ▶ [covid19hotline@miti.gov.my](mailto:covid19hotline@miti.gov.my)  
(for general enquiries on the Manufacturing Sector and its Related Services)
- ▶ [covid19aduan@miti.gov.my](mailto:covid19aduan@miti.gov.my)  
(for reports/complaints on SOPs non-compliance)
- ▶ [cims@marii.my](mailto:cims@marii.my)  
(for technical issues on CIMS 3.0)

30 May 2021 

Bagi sebarang pertanyaan/aduan berkaitan operasi sektor ekonomi, sila hubungi talian hotline MITI seperti di atas.



**MITI POCKET TALK**  
A SERIES OF SESSION FOR THE PRIVATE SECTOR

**When?** Once a month | **Where?** MITI Tower Kuala Lumpur or MITI Regional Offices

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

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

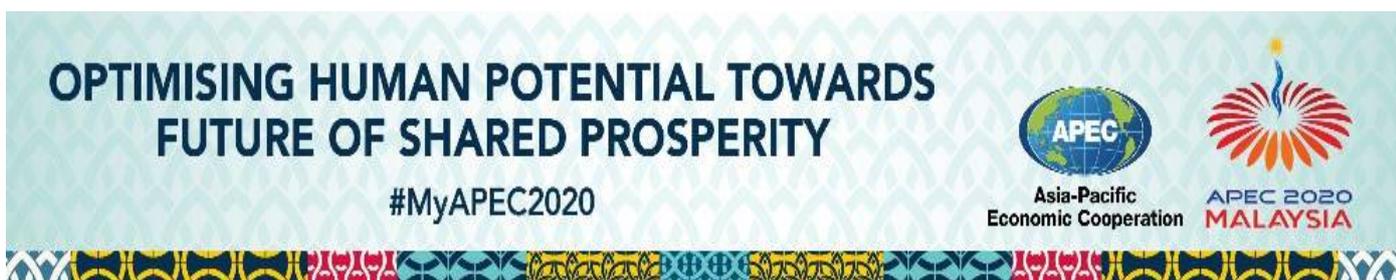
For more information, please contact :



03-6200 0468 / 69 / 57



[allaki@miti.gov.my](mailto:allaki@miti.gov.my)



**OPTIMISING HUMAN POTENTIAL TOWARDS  
FUTURE OF SHARED PROSPERITY**

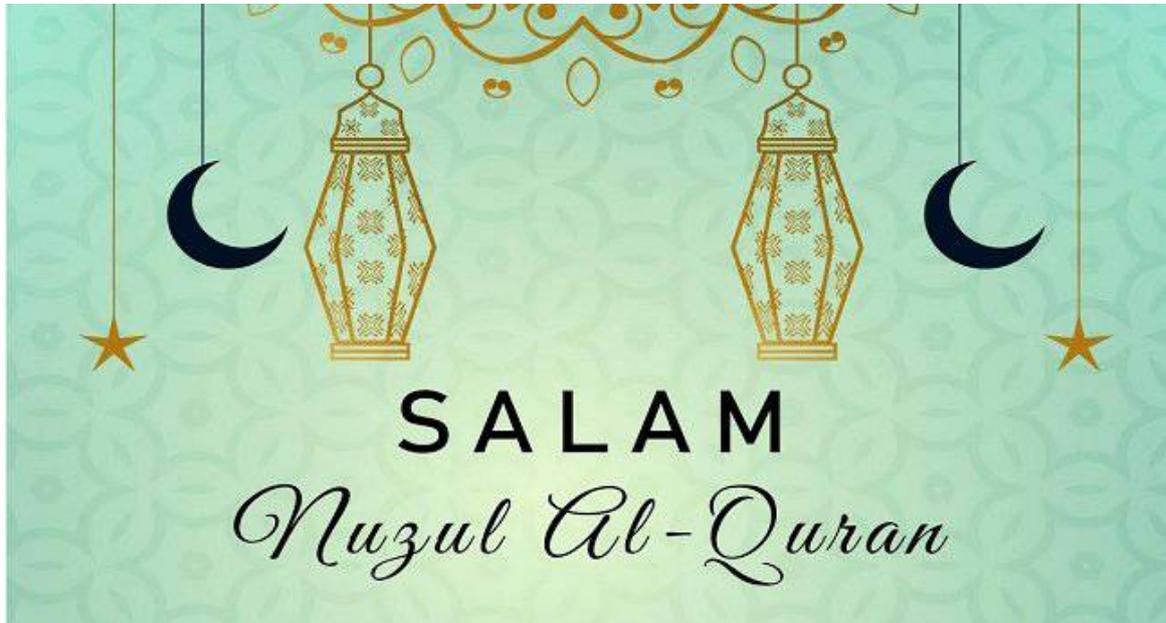
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Asia-Pacific Economic Cooperation | APEC 2020 MALAYSIA

For more information, kindly click the following links:

<https://www.myapec2020.my/en/>





**FROM ALL OF US IN MITI !**

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MITI MWB APPs is now available for IOS, Android and Windows platforms.

MWB APPs can be downloaded from Gallery of Malaysian Government Mobile APPs (GAMMA) at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>



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<http://www.miti.gov.my/index.php/forms/form/13>