



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

Major exports in September 2022:

- E&E products, valued at RM57.41 billion and accounted for 39.8% of total exports, increased by 39.8% from September 2021;
- Petroleum products, RM17.32 billion, 12.0% of total exports, surged by 83.3%;
- Palm oil and palm oil-based agriculture products, RM8.25 billion, 5.7% of total exports, increased by 6.4%;
- Chemicals and chemical products, RM6.93 billion, 4.8% of total exports, increased by 14.5%; and
- LNG, RM6.53 billion, 4.5% of total exports, surged by 142.0%.

Compared to August 2022, exports of manufactured and mining goods rose by 2.3% and 3.4%, respectively while exports of agriculture goods declined marginally by 0.1%. For the period of January to September 2022, all products recorded export expansion except rubber products. Exports of manufactured goods increased by 27.0% to RM975.51 billion compared to the same period of 2021, attributed to higher exports of E&E products, petroleum products, machinery, equipment and parts, palm oil-based manufactured products as well as chemicals and chemical products. Exports of agriculture goods expanded by 36.3% to RM92.40 billion buoyed by higher exports of palm oil and palm oil-based agriculture products. Exports of mining goods surged by 71.7% to RM85.69 billion boosted by higher exports of LNG and crude petroleum.

### Trade Performance with Major Markets

#### *ASEAN – Robust Growth for Trade, Exports and Imports*

In September 2022, trade with ASEAN accounted for 26.4% of Malaysia's total trade, expanding by 33.6% y-o-y to RM67.85 billion. Exports grew by 31.5% to RM39.97 billion due to higher exports of E&E products and petroleum products. Imports from ASEAN climbed by 36.8% to RM27.89 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM21.00 billion, increased by 29.1%;
- Indonesia RM5.83 billion, ↑53.3%;
- Viet Nam RM4.76 billion, ↑65.8%;
- Thailand RM4.49 billion, ↑4.6%;
- Philippines RM2.35 billion, ↑21.1%;
- Brunei RM985.1 million, ↑21.1%;
- Myanmar RM314.2 million, ↑35.2%;
- Cambodia RM124.3 million, ↓23.6%; and
- Lao PDR RM107.1 million, ↑2,916.2%.

Exports to ASEAN major markets that recorded increases were Singapore which increased by RM4.74 billion, due to higher exports of E&E products, Indonesia (↑RM2.03 billion, petroleum products) and Viet Nam (↑RM1.89 billion, E&E products). On a m-o-m basis, trade, exports and imports contracted by 4.2%, 4.8% and 3.3%, respectively.

In the first nine months of 2022, trade with ASEAN grew by 42.2% to RM582.54 billion compared to the same period of 2021. Exports to this region rose by 37.3% to RM337.35 billion owing to higher exports of E&E products, petroleum products, machinery, equipment and parts as well as crude petroleum. Imports from ASEAN edged up by 49.6% to RM245.20 billion.

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

### *China – Export Growth Driven by E&E Products*

In September 2022, trade with China which made up 17.1% of Malaysia's total trade climbed by 14.0% y-o-y to RM43.91 billion, the 22nd consecutive month of double-digit growth. Exports to China recorded a growth of 8% to RM20.09 billion due to higher exports of E&E products. Imports from China was up by 19.5% to RM23.82 billion. Compared to August 2022, trade and exports expanded by 0.3% and 8.8%, respectively while imports slipped by 6.0%.

Trade with China during the first nine months of 2022 rose by 18.5% to RM360.56 billion compared to the same period of 2021. Exports edged up by 13.4% to RM155.45 billion on account of higher exports of E&E products, LNG as well as metalliferous ores and metal scrap. Imports from China increased by 22.7% to RM205.11 billion.

### *The US – Highest Trade Value Registered*

Trade with the US in September 2022 comprised 10.4% of Malaysia's total trade, expanding by 42.5% y-o-y to RM26.73 billion and was the highest monthly value thus far. Exports grew by 32.5% to RM16.31 billion on the back of robust exports of E&E products. Imports from the US surged by 61.4% to RM10.42 billion. On a m-o-m basis, trade, exports and imports rose by 9.0%, 8.9% and 9.0%, respectively.

For the period of January to September 2022, trade with the US edged up by 27.2% to RM198.74 billion compared to the same period of 2021. Exports climbed by 21.1% to RM123.83 billion on higher exports of E&E products, iron and steel products, optical and scientific equipment as well as petroleum products. Imports from the US rose by 38.9% to RM74.91 billion.

### *The EU – Exports Registered 12 Successive Months of Double-Digit Growth*

Trade with the EU which represented 7.1% of Malaysia's total trade in September 2022 grew by 16.7% y-o-y to RM18.20 billion. Exports increased by 19.0% to RM10.58 billion, the 12th successive month of double-digit growth boosted by higher exports of E&E products. Imports from the EU expanded by 13.6% to RM7.62 billion.

Breakdown of exports to the top 10 EU markets which accounted for 91.6% of Malaysia's total exports to the EU were:

- Netherlands RM3.63 billion, increased by 20.0%;
- Germany RM2.51 billion, ↑8.9%;
- Belgium RM841.2 million, ↑72.3%;
- Italy RM631.7 million, ↓4.9%;
- France RM579.1 million, ↑85.6%;
- Spain RM485.3 million, ↑12.9%;
- Czech Republic RM340.5 million, ↑22.1%;
- Poland RM284.1 million, ↑15.3%;
- Hungary RM205.0 million, ↑2.7%; and
- Sweden RM192.5 million, ↑17.8%.

Exports to the EU major markets that recorded increases were the Netherlands which grew by RM603.9 million due to higher demand for E&E products, Germany (↑RM205.0 million, E&E products) and Belgium (↑RM353.0 million, iron and steel products). Compared to August 2022, trade, exports and imports rose by 4.7%, 5.4% and 3.7%, respectively.

In the first nine months of 2022, trade with the EU was up by 22.1% to RM160.10 billion compared to the same period of 2021. Exports climbed by 24.5% to RM93.99 billion, following higher exports of E&E products, manufactures of metal and petroleum products. Imports from



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

the EU increased by 19.0% to RM66.11 billion.

### *Japan – Highest Export Value Ever Recorded*

In September 2022, trade with Japan which accounted for 6.7% of Malaysia's total trade rose by 49.5% y-o-y to RM17.11 billion. Exports surged by 74.6% to RM9.93 billion, the highest monthly value and was the 19th straight month of double-digit expansion. The growth was supported by higher exports of LNG, E&E products and petroleum products. Imports from Japan increased by 24.6% to RM7.18 billion. On a m-o-m basis, trade and exports grew by 1.1% and 8.9%, respectively while imports declined by 8.0%.

For the period of January to September 2022, trade with Japan was up by 23.4% to RM135.11 billion compared to the same period of 2021. Exports expanded by 31.8% to RM72.89 billion underpinned by higher exports of LNG, crude petroleum, palm oil and palm oil-based agriculture products as well as petroleum products. Imports from Japan increased by 14.9% to RM62.22 billion.

### **Trade with FTA Partners**

In September 2022, trade with Free Trade Agreement (FTA) partners which represented 65.9% of Malaysia's total trade rose by 28.9% y-o-y to RM169.25 billion. Exports to FTA partners grew by 29.4% to RM97.42 billion and imports expanded by 28.1% to RM71.82 billion.

Increases in exports were recorded to Hong Kong SAR, by 30.4% to RM10.18 billion, India, (↑5.7% to RM4.54 billion) and the Republic of Korea (↑41.9% to RM4.97 billion) due to growing exports of E&E products.

Exports to Australia rose by 120.1% to RM5.39 billion and New Zealand, (↑48.4% to RM618.4 million) led by higher exports of petroleum products while exports to Chile (↑215.5% to RM140.3 million, chemicals and chemical products). Compared to August 2022, exports grew by 1.9% while trade and imports declined by 1.5% and 5.7%, respectively.

Trade with FTA partners during the first nine months of 2022 which constituted 66.2% of Malaysia's total trade rose by 31.9% to RM1.410 trillion compared to the same period of 2021. Exports was higher by 30.9% to RM778.77 billion and imports increased by 33.2% to RM631.73 billion.

### **Import Performance**

Total imports in September 2022 grew by 33.0% y-o-y to RM112.60 billion. The three main categories of imports by end use which accounted for 70.3% of total imports were:

- Intermediate goods, valued at RM58.57 billion or 52.0% of total imports, increased by 35.1%, following higher imports of processed industrial supply;
- Capital goods, valued at RM11.80 billion or 10.5% of total imports, grew by 30.5%, due to higher imports of capital goods (except transport equipment); and
- Consumption goods, valued at RM8.83 billion or 7.8% of total imports, rose by 28.2%, as a result of higher imports of processed food and beverages mainly for household consumption.

For the period of January to September 2022, imports expanded by 36.2% to RM971.26 billion from the same period of 2021. Imports of intermediate goods grew by 35.5% to RM530.89 billion, capital goods (↑17.5% to RM89.08 billion) and consumption goods (↑25.4% to RM76.75 billion).

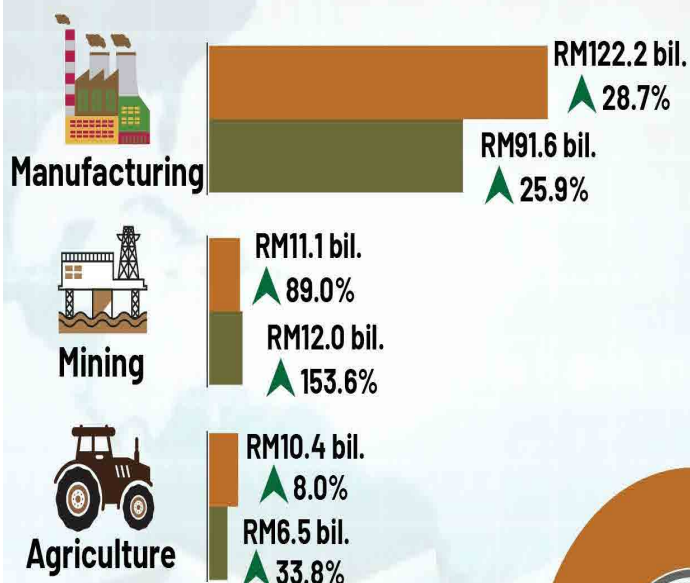
**Ministry of International Trade and Industry**

**19 OCTOBER 2022**

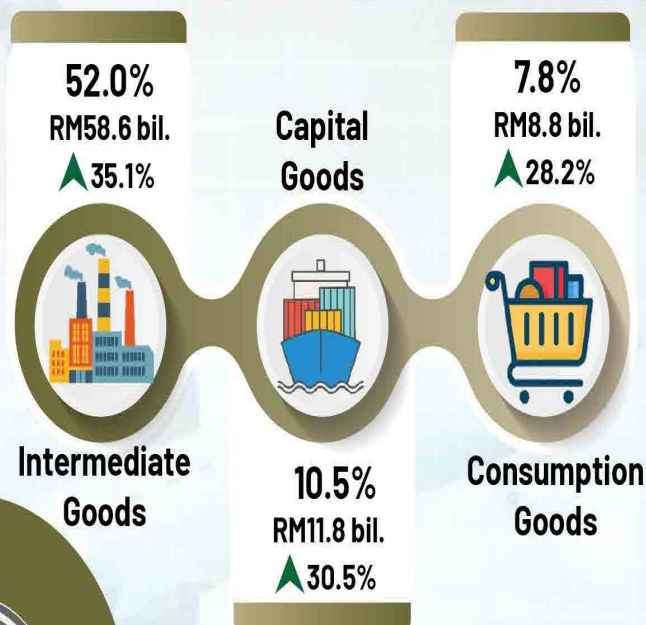


## EXTERNAL TRADE, SEPTEMBER 2022

## EXPORTS AND IMPORTS BY SECTOR



## IMPORTS BY BEC &amp; END USE



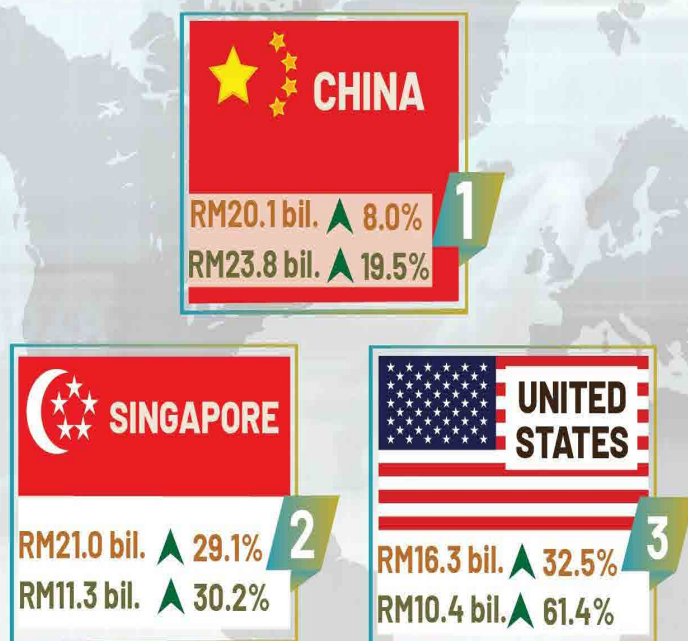
**TOTAL TRADE**  
RM256.9 bil.  
▲ 31.4%

**EXPORTS**  
RM144.3 bil.  
▲ 30.1%

**IMPORTS**  
RM112.6 bil.  
▲ 33.0%

**TRADE BALANCE**  
RM31.7 bil.  
▲ 20.9%

## TOP 3 TRADING PARTNERS &amp; TRADING WITH ASEAN



**Share 26.4%**

RM40.0 bil. ▲ 31.5%  
RM27.9 bil. ▲ 36.8%

EXPORTS  
IMPORTS

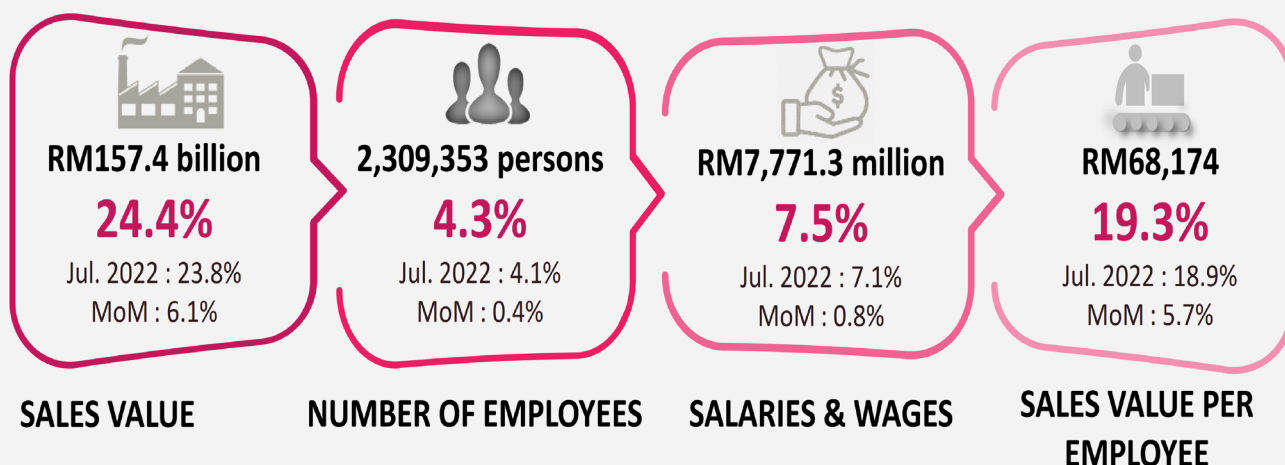
Note:

- ▲ ▼ All changes are based on year-on-year (y-o-y) comparison.
- The September 2022 data is preliminary and subject to revision in later issues.
- This report can be accessed through the web portal of the Department of Statistics, Malaysia (<http://www.dosm.gov.my>) under section: Latest Release

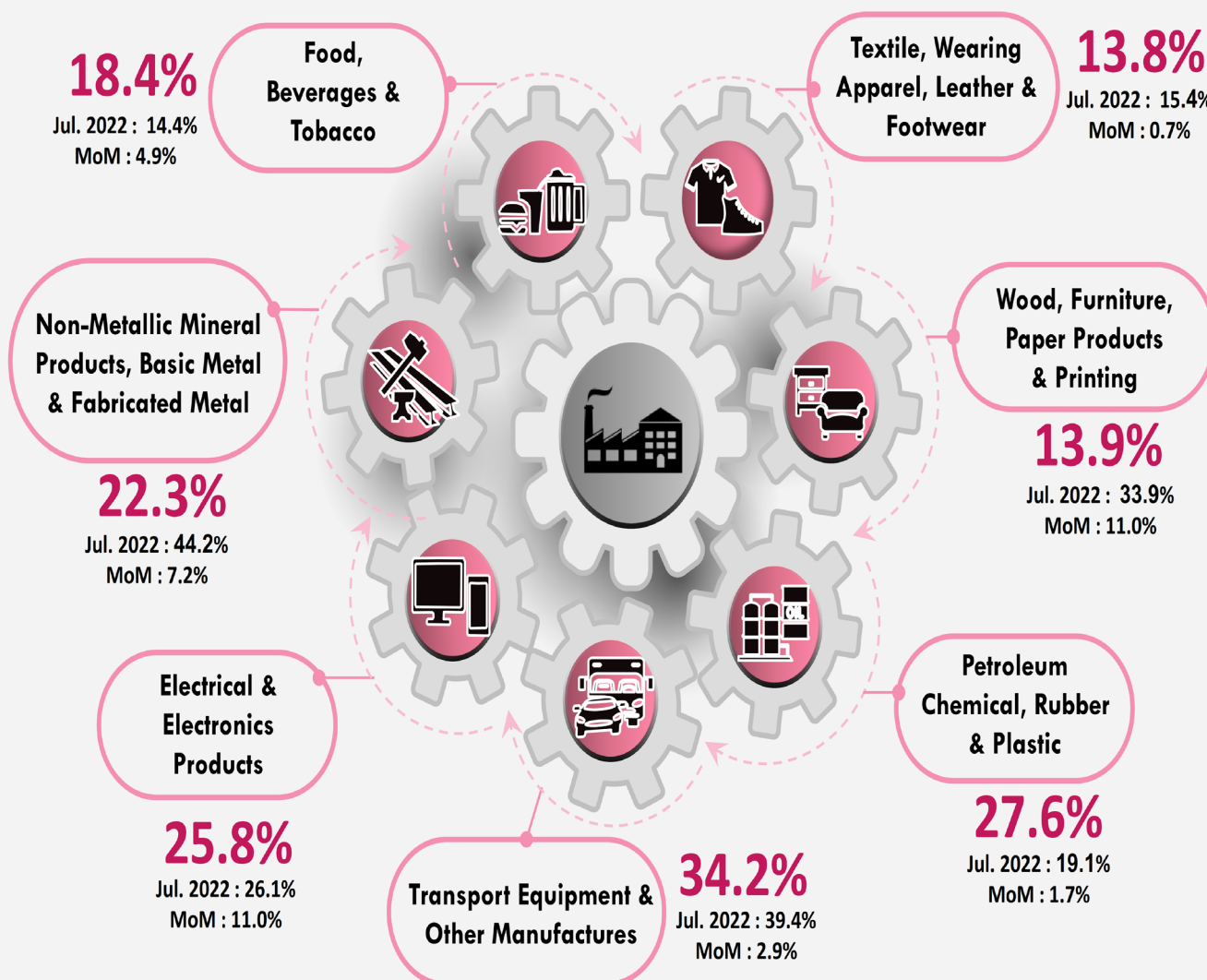
Source: Monthly External Trade Statistics,  
September 2022, Department of Statistics Malaysia (DOSM)

## MANUFACTURING, AUGUST 2022

Malaysia's Manufacturing sales value expanded 24.4 per cent in August 2022, amounted to RM157.4 billion



### SALES VALUE BY SUBSECTOR



Note : Percentage growth refers to Year-on-Year (YoY) and Month-on-Month (MoM) changes

Source : Monthly Manufacturing Statistics, Malaysia  
August 2022  
Department of Statistics Malaysia (DOSM)

# INDUSTRIAL PRODUCTION INDEX, AUGUST 2022

Malaysia's Industrial Production Index (IPI) soared 13.6 per cent in August 2022, driven by Manufacturing sector



**IPI: 13.6%**  
Jul. 2022: 12.5%  
MoM: 3.9%



**Mining: 8.0%**  
Jul. 2022: 3.2%  
MoM: -1.6%



**Manufacturing: 15.2%**  
Jul. 2022: 14.9%  
MoM: 5.6%



**Electricity: 10.0%**  
Jul. 2022: 13.2%  
MoM: -0.1%

Textiles, Wearing Apparel, Leather & Footwear

**12.9%**  
Jul. 2022: 17.9%  
MoM: 6.5%

Food, Beverages  
& Tobacco

**11.9%**  
Jul. 2022: 11.2%  
MoM: 7.3%

Wood, Furniture,  
Paper Products & Printing

**16.6%**  
Jul. 2022: 27.8%  
MoM: 2.5%

Transport  
Equipment  
& Other  
Manufactures

**53.6%**  
Jul. 2022: 73.6%  
MoM: 8.3%

Petroleum, Chemical,  
Rubber & Plastic

**5.9%**  
Jul. 2022: 1.0%  
MoM: 2.7%

Electrical  
& Electronics

**19.2%**  
Jul. 2022: 17.3%  
MoM: 6.0%

Non-metallic Mineral,  
Basic Metal & Fabricated Metal

**13.6%**  
Jul. 2022: 23.9%  
MoM: 10.4%

**MANUFACTURING**



**Crude Oil & Condensate**  
**8.0%**  
Jul. 2022: -8.6%  
MoM: 7.1%

**MINING**

**Natural Gas**  
**8.0%**  
Jul. 2022: 12.6%  
MoM: -7.2%



Note:  
Percentage refers to the change in  
Month-on-month (MoM) and Year-on-year (YoY)

Source:  
Index of Industrial Production Malaysia, August 2022  
Department of Statistics Malaysia (DOSM)



## VITAL STATISTICS, 2021

## LIVE BIRTHS 2021



**439,744**  
live births

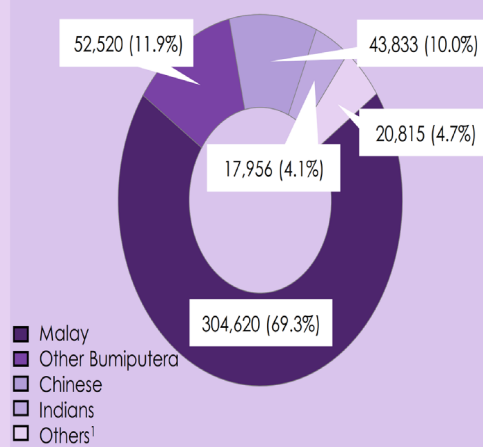


**226,896**  
(51.6%)  
**Male**  
babies



**212,848**  
(48.4%)  
**Female**  
babies

## LIVE BIRTHS BY MAIN ETHNIC GROUP



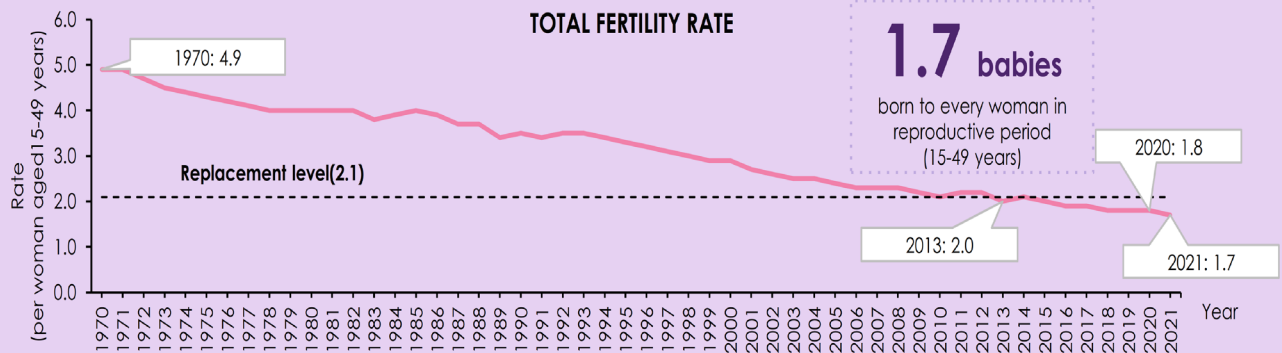
## AVERAGE LIVE BIRTHS

**1** baby born per minute  
**50** babies per hour  
**1,205** babies per day

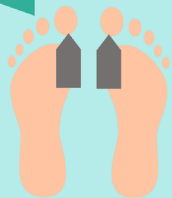
## MEAN AGE OF MOTHER

**27.9** years

Mean age of mother at first live birth among 146,531 mothers



## DEATHS 2021



**224,569**  
deaths

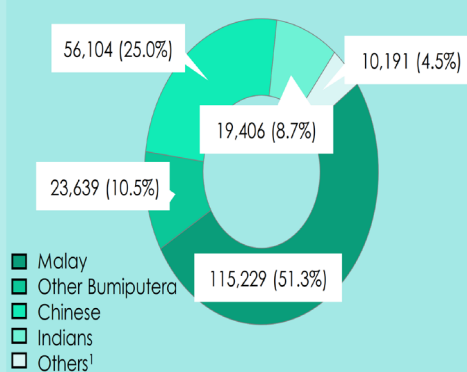


**127,824**  
(56.9%)  
**Male**



**96,745**  
(43.1%)  
**Female**

## DEATHS BY MAIN ETHNIC GROUP



## AVERAGE DEATHS

**1** death per 2 minutes  
**26** deaths per hour  
**615** deaths per day

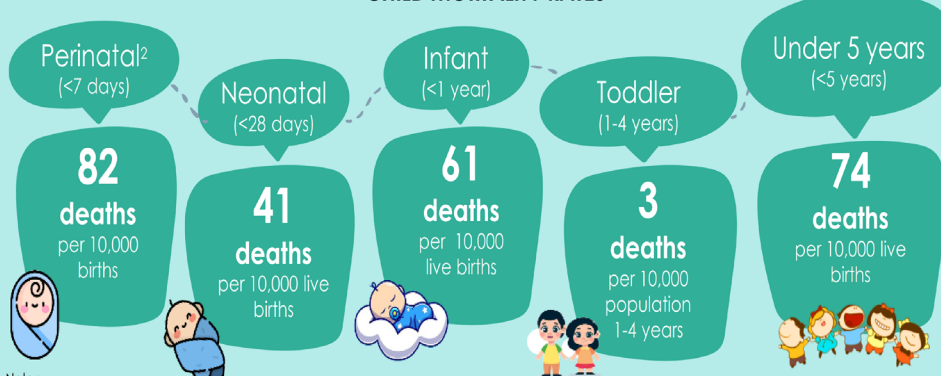


## STILLBIRTH RATE

**50**  
stillbirths  
per 10,000 births

Births after 28 completed weeks or more of gestation without any sign of life during delivery

## CHILD MORTALITY RATES



Note:  
<sup>1</sup> include Non-Citizens  
<sup>2</sup> include stillbirths



## MATERNAL MORTALITY RATE

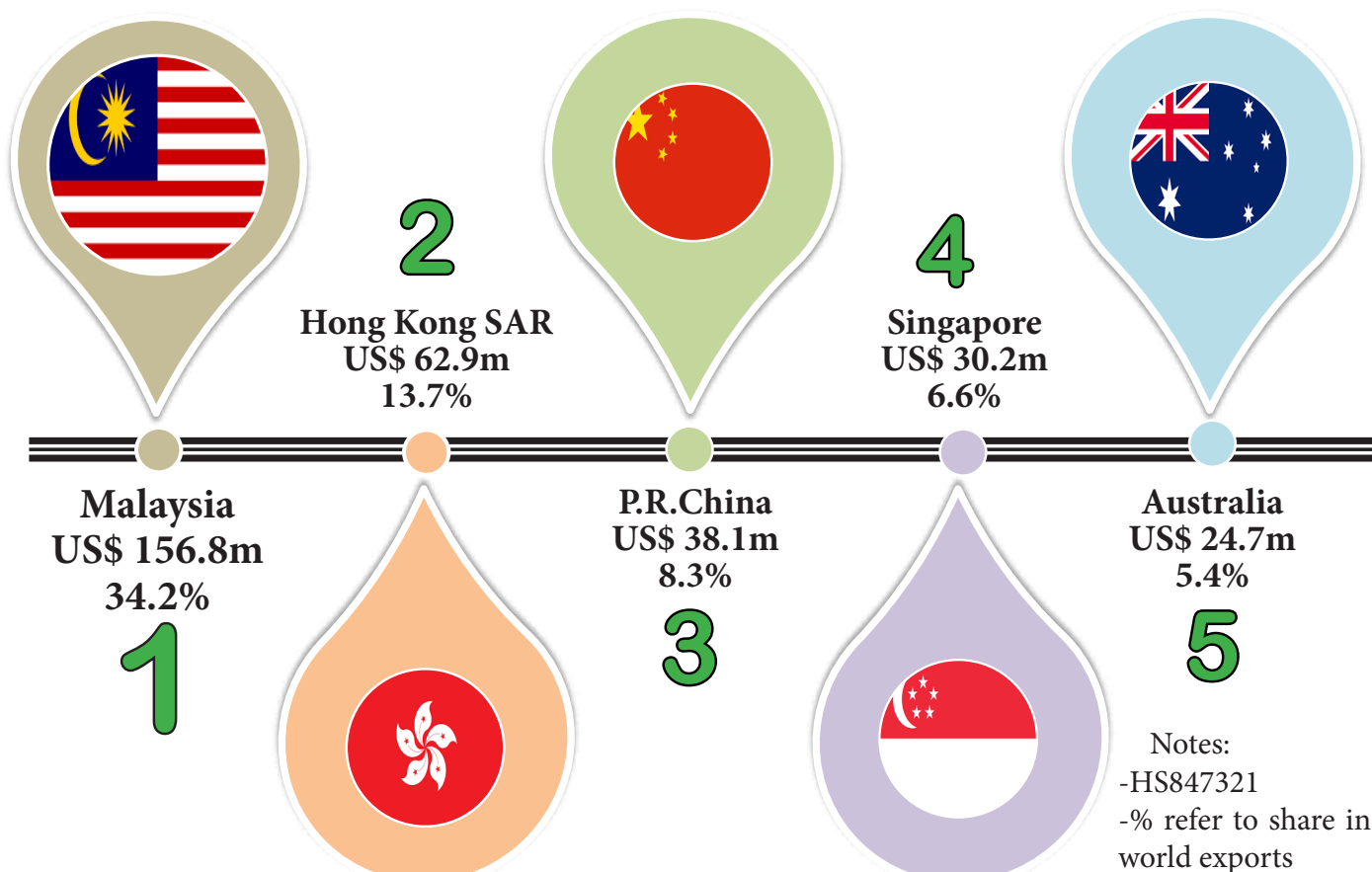
**68.2**  
maternal deaths  
per 100,000 live births

Death of a pregnant woman during childbirth or until 42 days after delivery

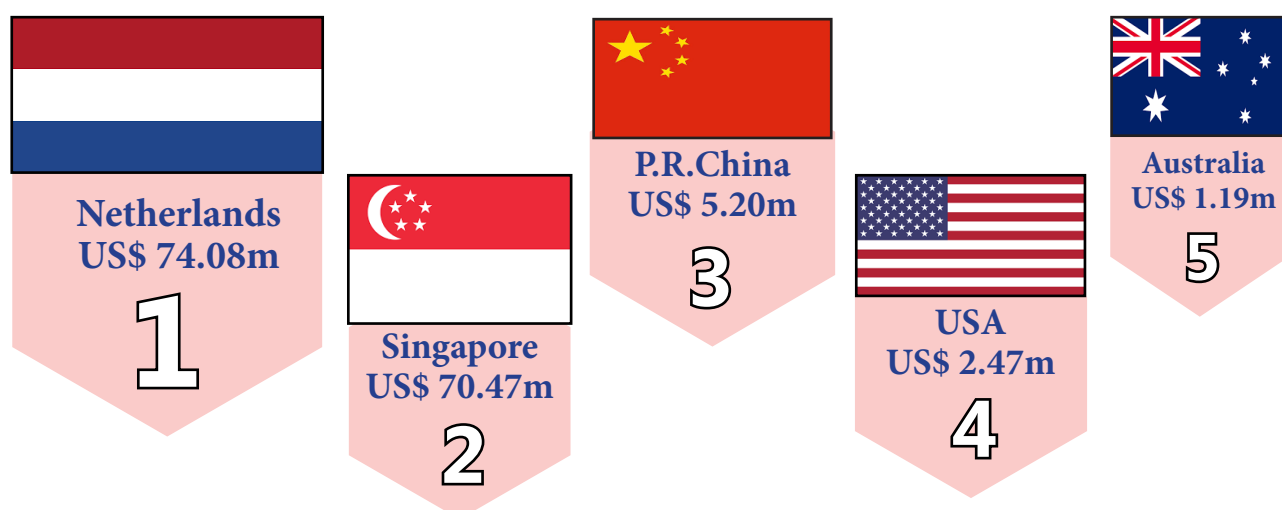
Source: Vital Statistics, Malaysia, 2022, Department of Statistics Malaysia

## WORLD LARGEST EXPORTERS OF PARTS AND ACCESSORIES OF ELECTRONIC CALCULATING MACHINES OF SUBHEADING 8470.10, 8470.21 OR 8470.29, N.E.S

In 2021, Malaysia's export of Parts and accessories of electronic calculating machines of subheading 8470.10, 8470.21 or 8470.29, n.e.s. recorded US\$ 156.8 million which was 34.2% share to the world exports.



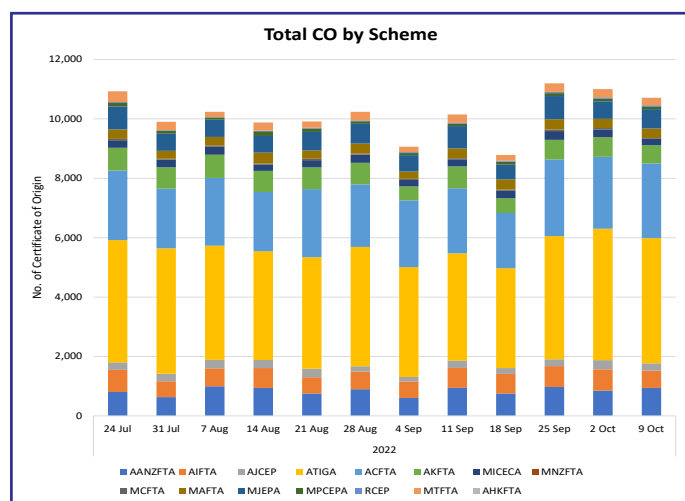
## MALAYSIA'S TOP EXPORT DESTINATIONS



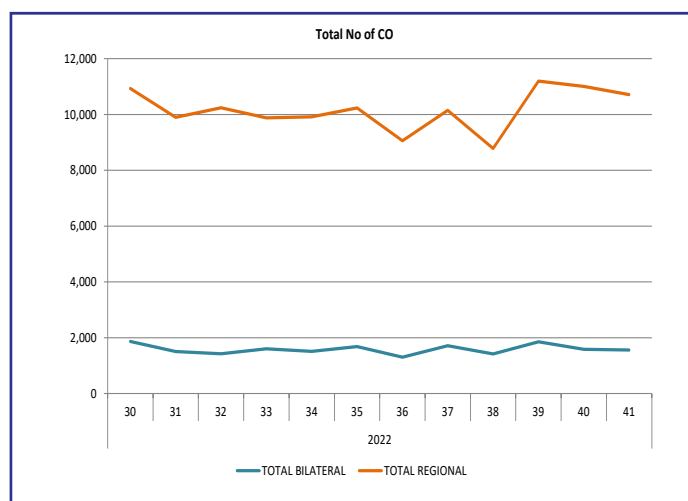
Source: <https://www.trademap.org/index.aspx>

# Number and FOB Value of PCO as at 9 October 2022 Weekly / Monthly / Annually

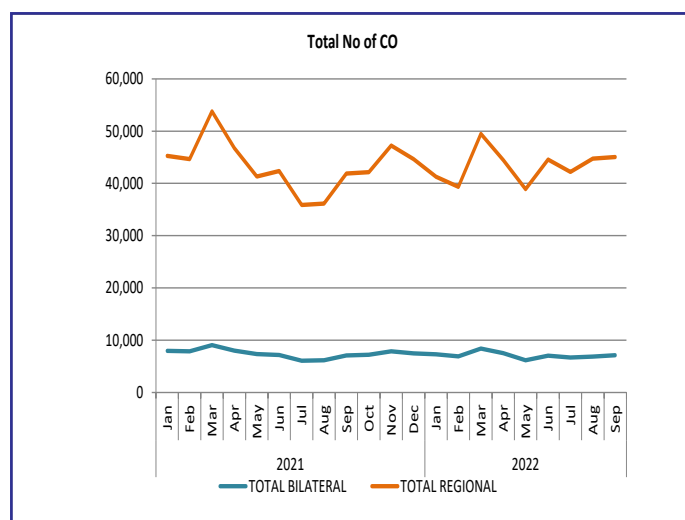
## Weekly Total Scheme



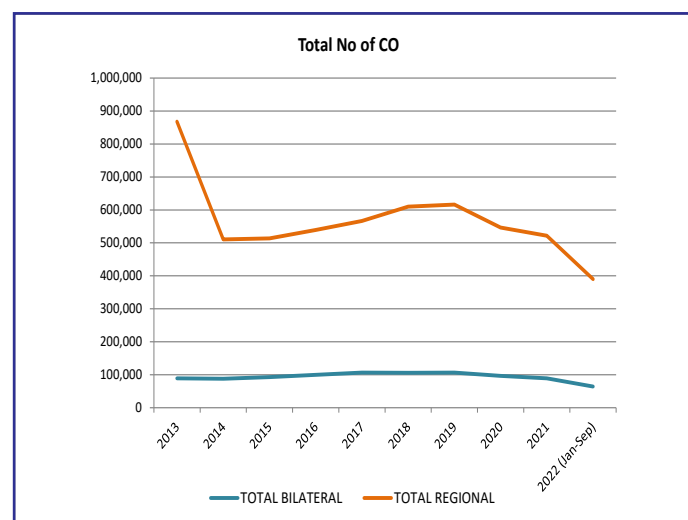
## Weekly



## Monthly



## Annually

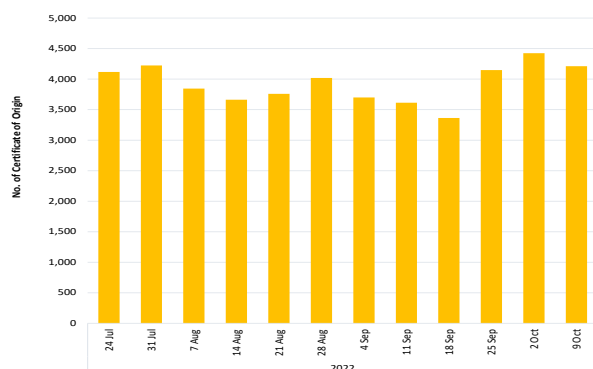
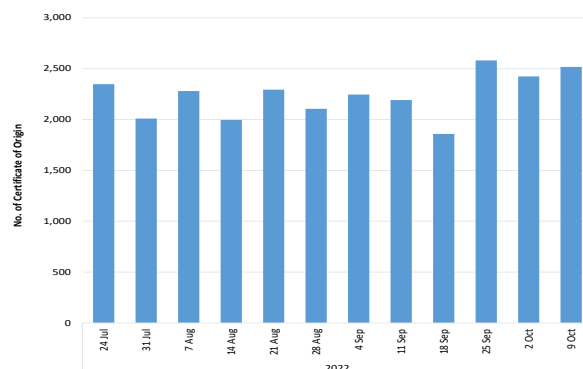


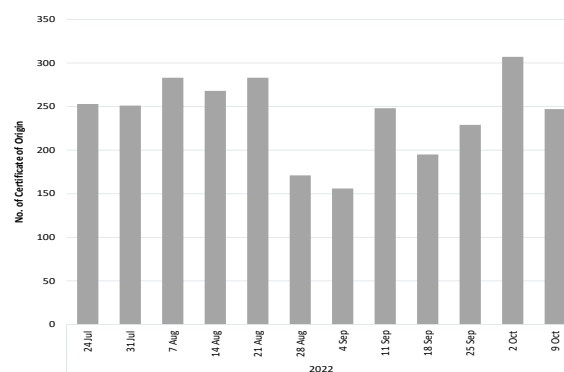
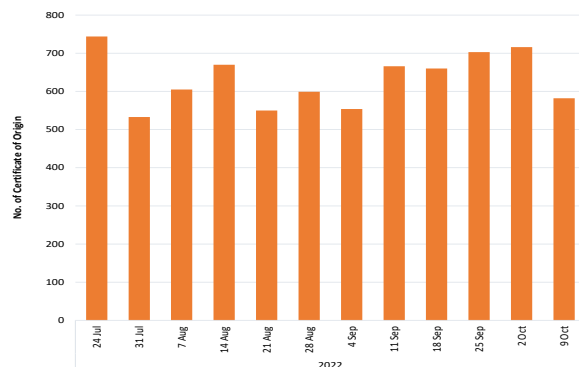
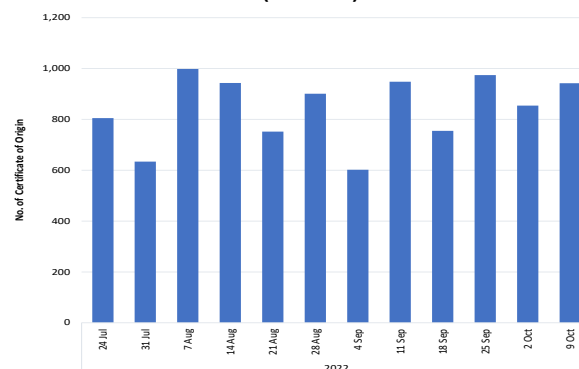
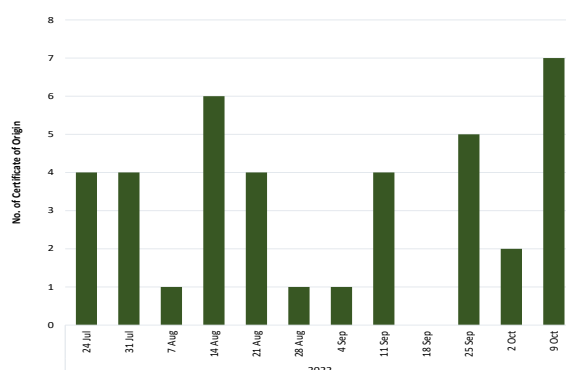
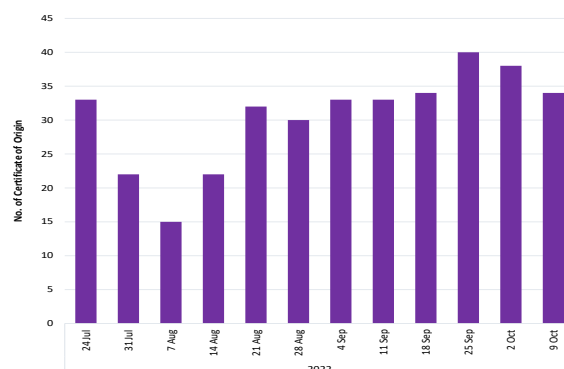
Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia



# Regional FTA

## Number of Preferential Certificates of Origin (PCOs) as at 9 October 2022

**ASEAN Trade in Goods Agreement (ATIGA)**

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

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

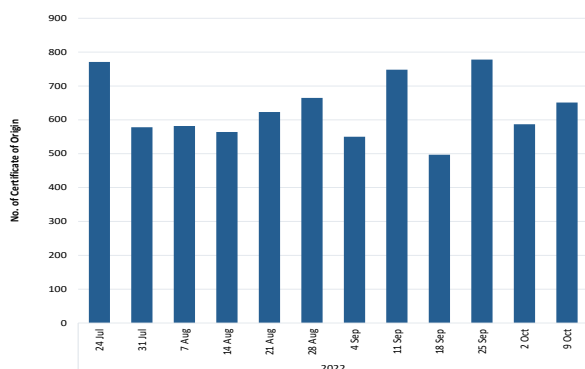
**ASEAN-Japan Comprehensive Economic Partnership (AJCEP)**

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

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

**ASEAN-Hong Kong, China Free Trade Agreement (AHKFTA)**

**Regional Comprehensive Economic Partnership (RCEP)**


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

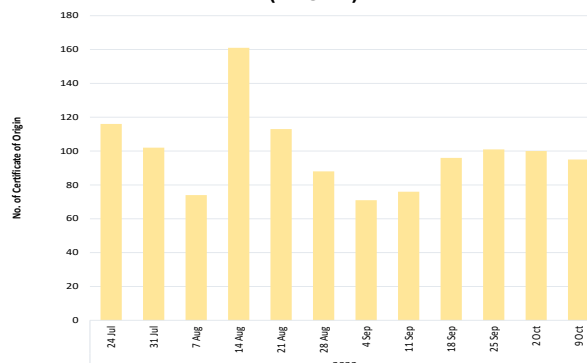
# Bilateral FTA

## Number of Preferential Certificates of Origin (PCOs) as at 9 October 2022

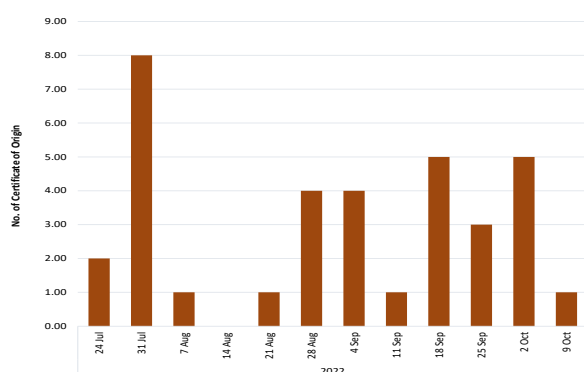
**Malaysia-Japan Economic Partnership Agreement (MJEPA)**



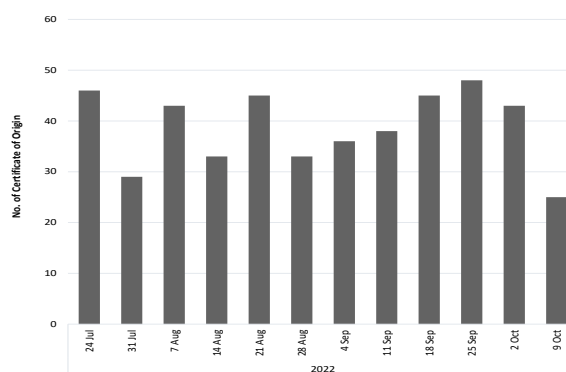
**Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)**



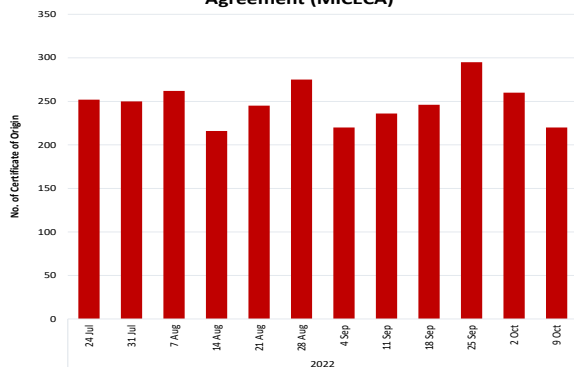
**Malaysia-New Zealand Free Trade Agreement (MNZFTA)**



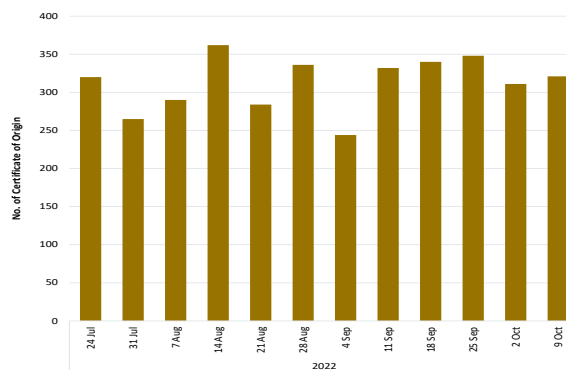
**Malaysia-Chile Free Trade Agreement (MCFTA)**



**Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)**



**Malaysia-Australia Free Trade Agreement (MAFTA)**



**Malaysia-Turkey Free Trade Agreement (MTFTA)**

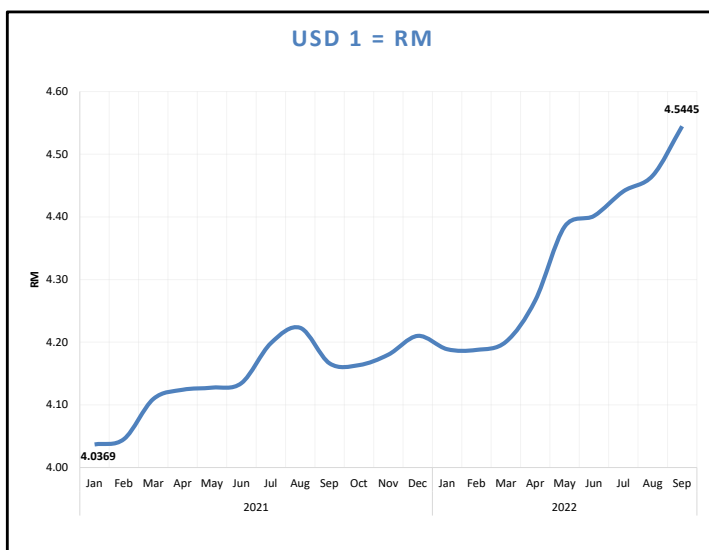


Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

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

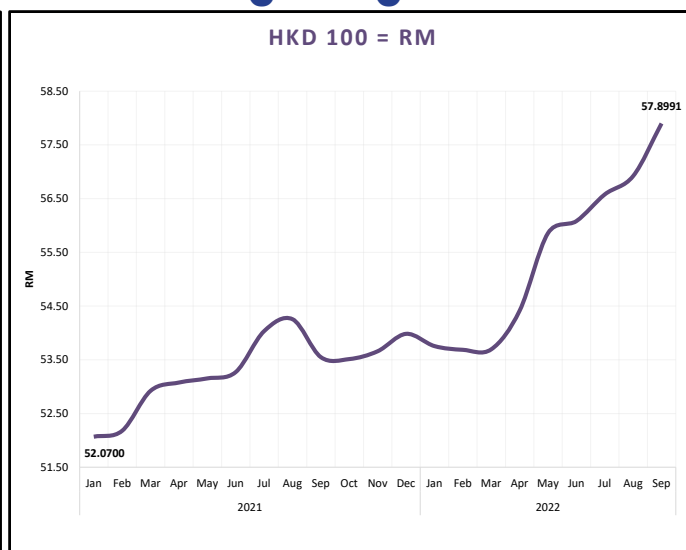
## US Dollar

USD 1 = RM



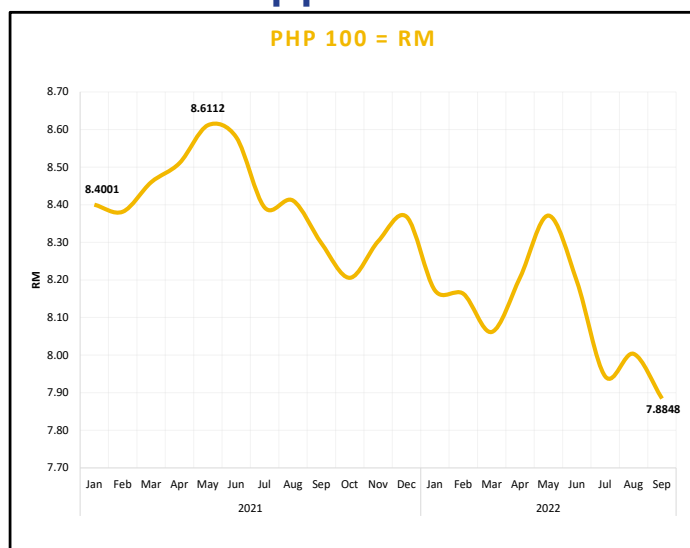
## Hong Kong Dollar

HKD 100 = RM



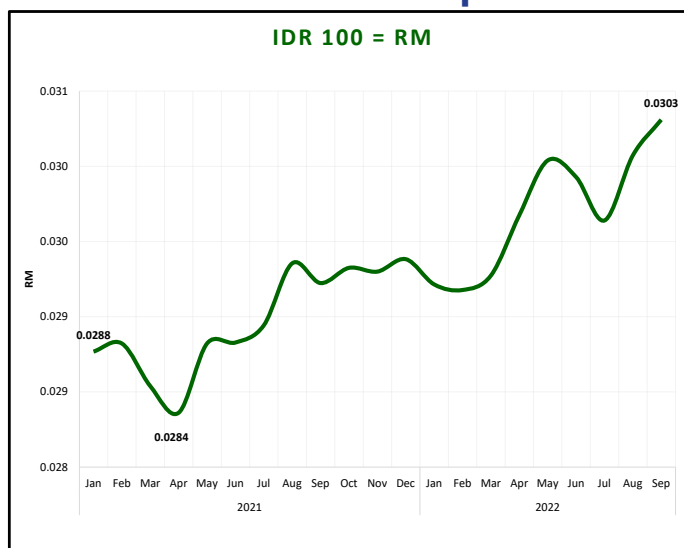
## Philippine Peso

PHP 100 = RM



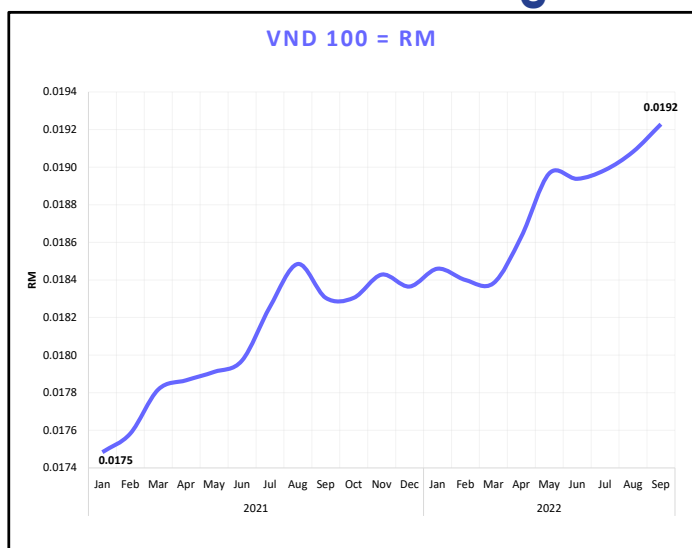
## Indonesian Rupiah

IDR 100 = RM



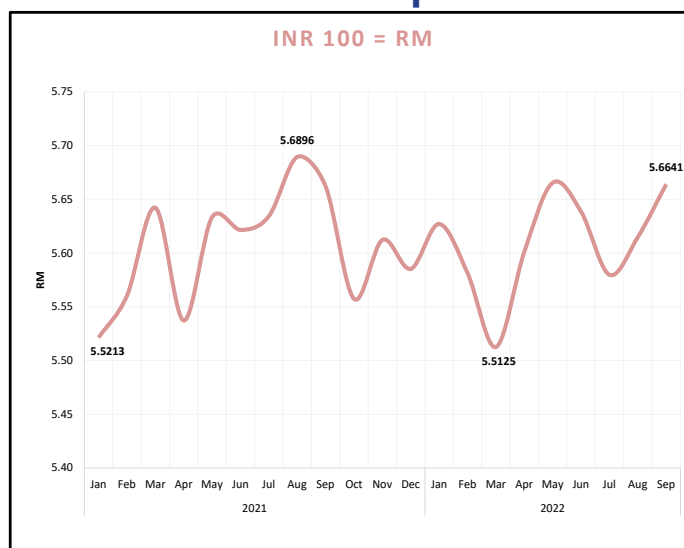
## Vietnamese Dong

VND 100 = RM



## Indian Rupee

INR 100 = RM



Source : Bank Negara Malaysia



# Commodity Prices

## CRUDE PETROLEUM (BRENT) -per bbl-



▼ **6.4%\***  
US\$91.6  
**07 Oct 2022**

**Highest**  
2021/2022  
**10 Jun 2022 : US\$122.0**  
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-



▲ **1.0%\***  
US\$792.0  
**07 Oct 2022**

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

**30 Sep 2022 : US\$715.6**  
18 Jun 2021 : US\$844.6

**Lowest**  
2021/2022

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

## RUBBER SMR 20 -per MT-



▼ **3.9%\***  
US\$1,330.0  
**07 Oct 2022**

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

## COCOA SMC 2 -per MT-



▼ **0.3%\***  
US\$1,532.6  
**07 Oct 2022**

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

## SUGAR -per lbs-



▲ **0.9%\***  
US\$18.8  
**07 Oct 2022**

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

## COAL -per MT-



▼ **4.7%\***  
US\$274.0  
**07 Oct 2022**

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

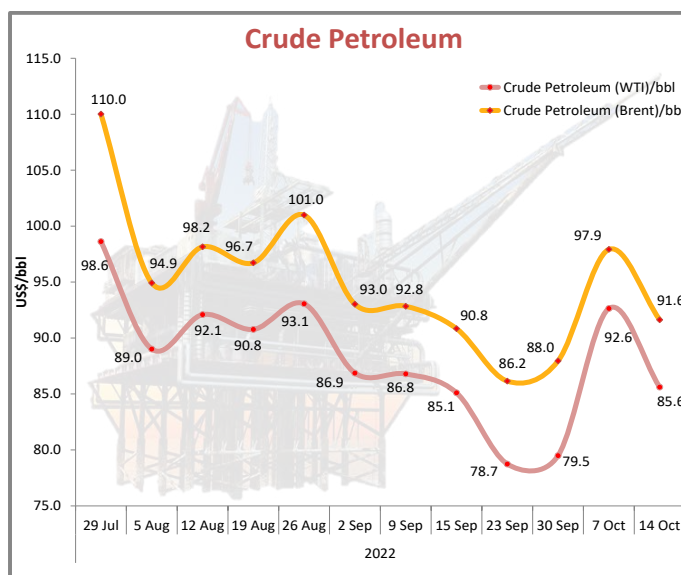
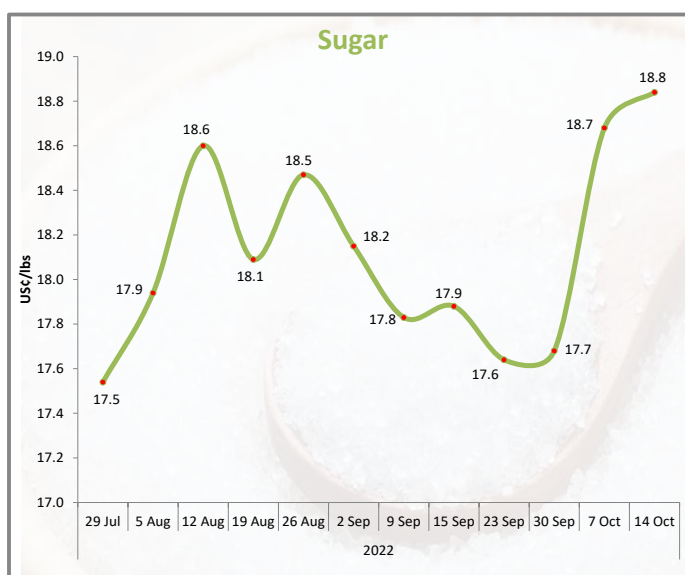
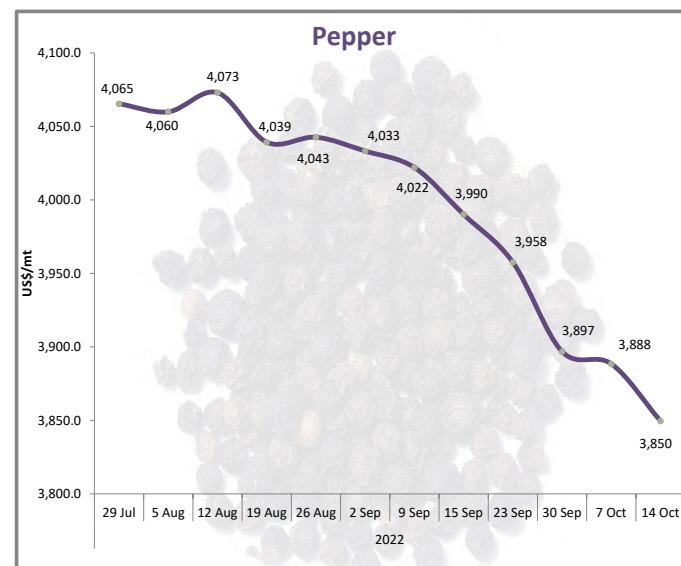
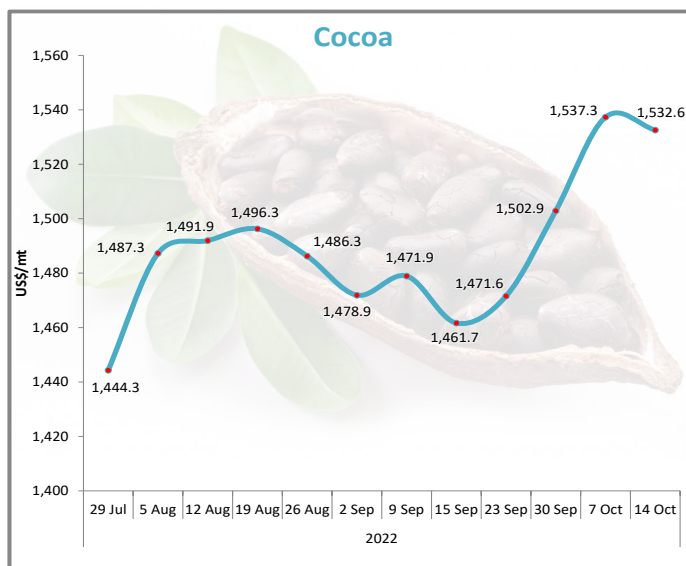
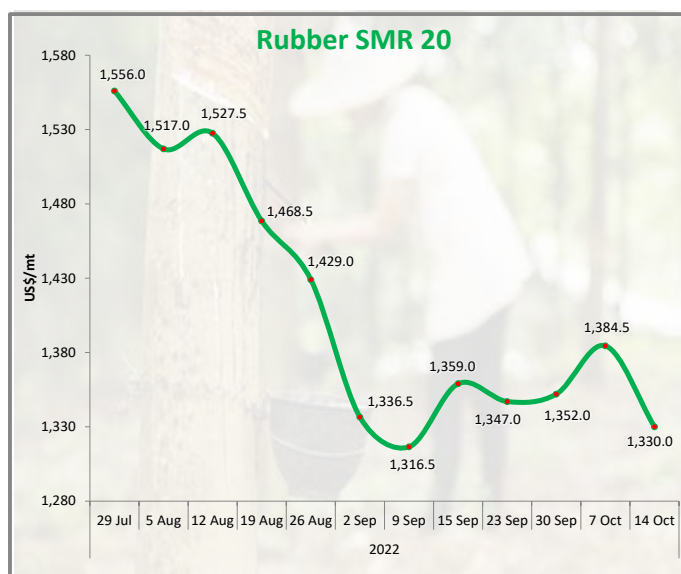
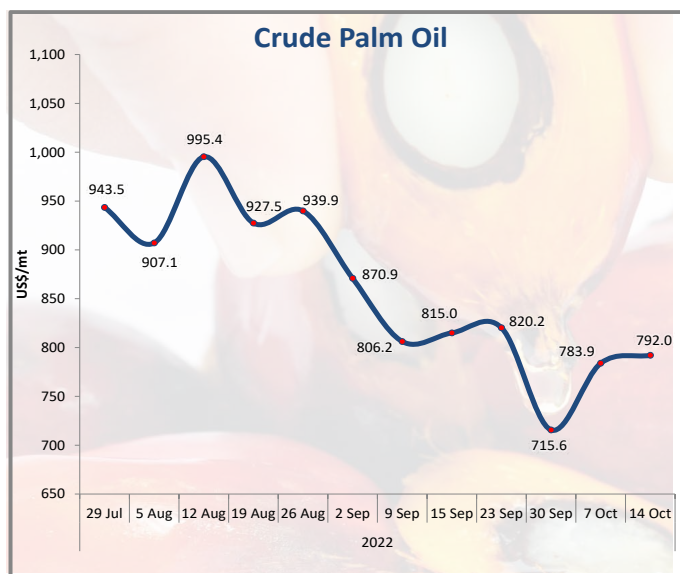
Notes: All figures have been rounded to the nearest decimal point

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

i Average price in the year except otherwise indicated

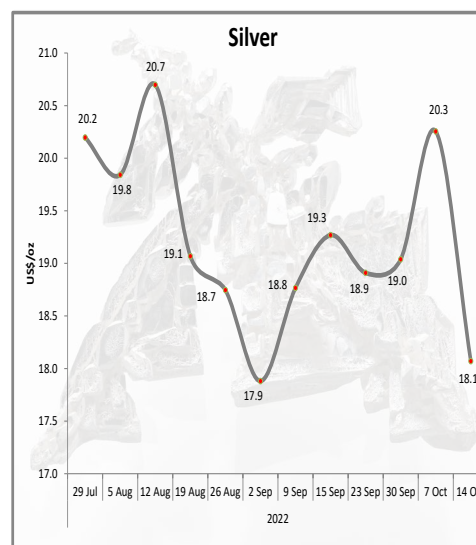
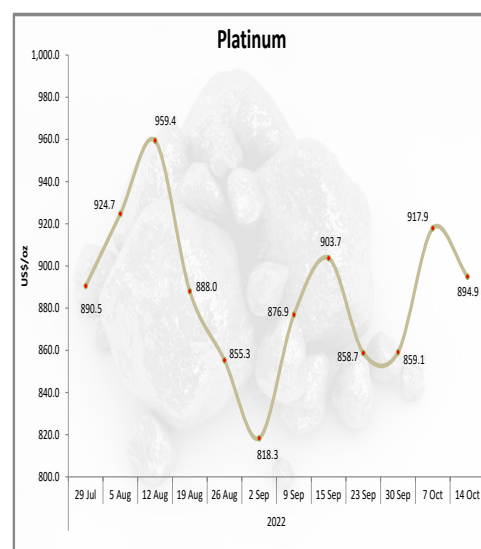
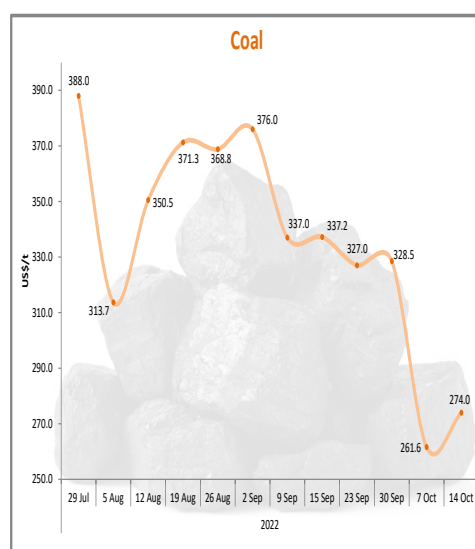
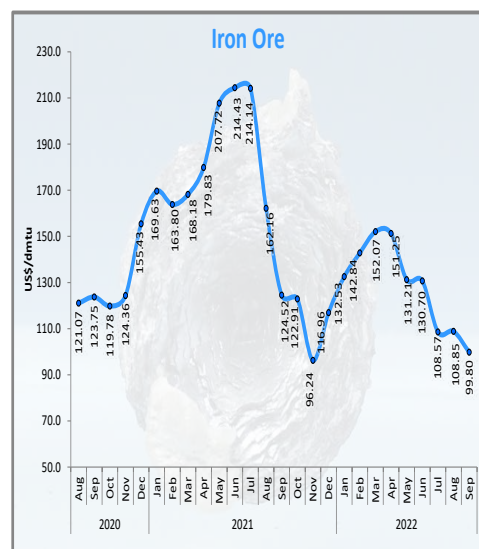
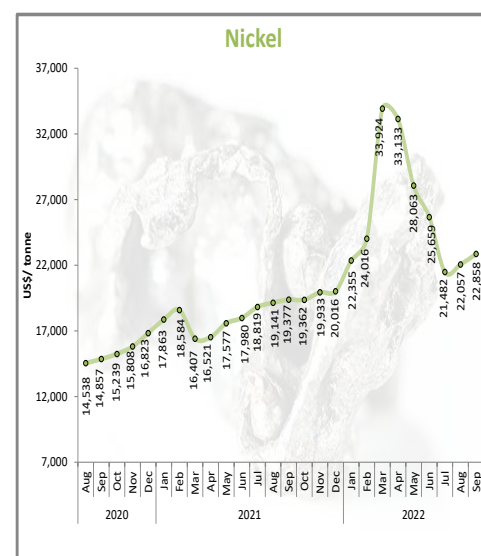
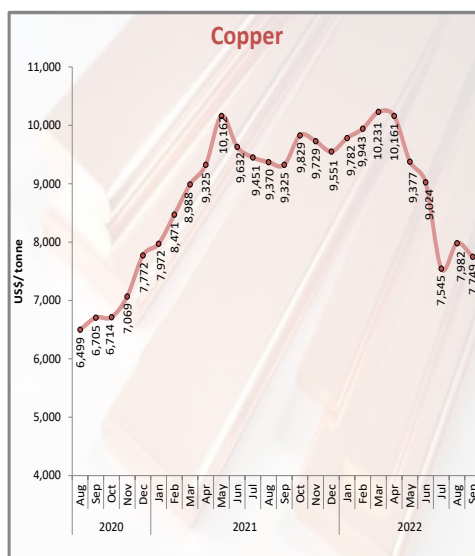
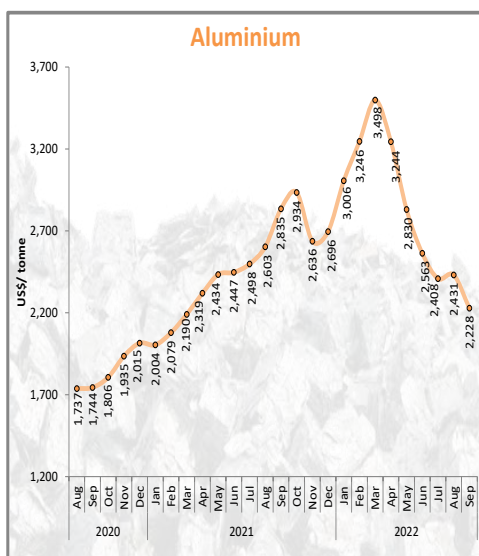
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, and Bloomberg.

# 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, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.



# RCEP

## REGIONAL COMPREHENSIVE ECONOMIC PARTNERSHIP (RCEP)



### RCEP CONSISTS OF

**10** ASEAN member  
countries

**5** ASEAN FTA  
Partner countries

### 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



### MAIN OBJECTIVES OF RCEP



## 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 right capital allows SMEs to flourish and become future-ready for your own future

01

## LOANS

### Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- [www.miti.gov.my](https://www.miti.gov.my/)

### Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: AI, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- [www.miti.gov.my](https://www.miti.gov.my/)

### Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- [www.miti.gov.my](https://www.miti.gov.my/)

### 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.miti.gov.my](https://www.miti.gov.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 300% on the first RM2 million expenditure incurred within 5 years

• [www.miti.gov.my](https://www.miti.gov.my/)

### Industry4WRD KA

- 1. Intervention Fund

- 70:30 matching grant up to RM500,000

- 2. Industry4WRD ODP\*

- 60:40 matching grant

\*participation in Industry4WRD KA is a prerequisite to apply

02

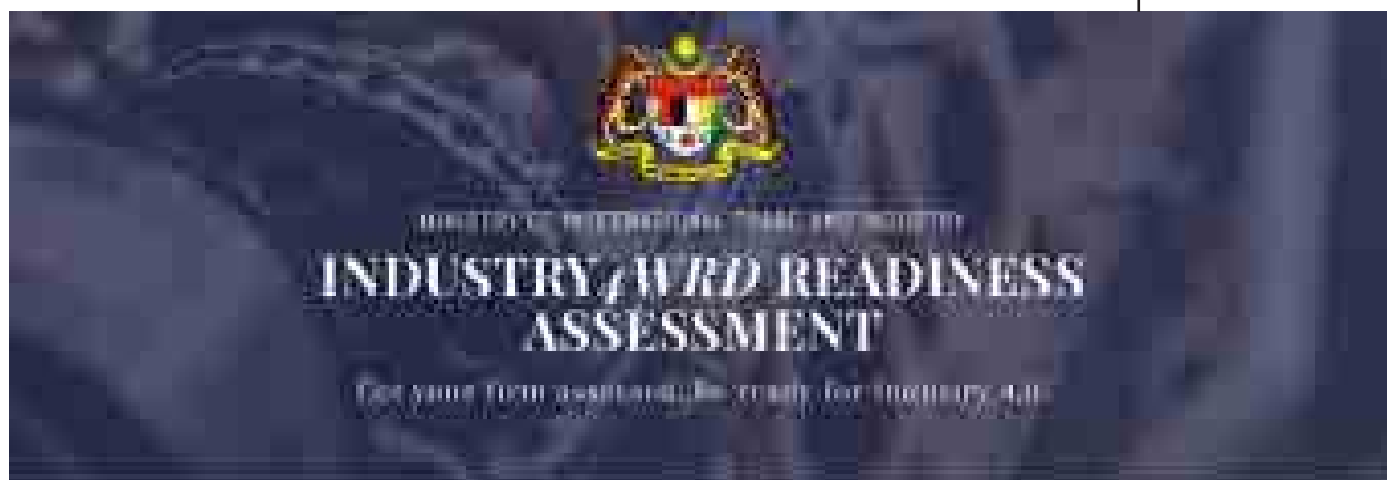
## GRANTS

ALL YOU NEED TO KNOW

Industry4WRD

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)



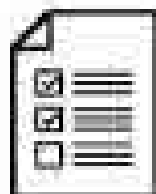
## All you need to know about Industry4WRD RA



### 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: [ia.02@miti.gov.my](mailto:ia.02@miti.gov.my)
- RA: [industry4wrdr@mipi.gov.my](mailto:industry4wrdr@mipi.gov.my)



### Process Flow

A FEW SIMPLE STEPS



Apply online at [www.ra.gov.my/industry4wrdr](http://www.ra.gov.my/industry4wrdr)



Evaluation by Committee



Online Assessment



Receive RA Report



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>



MINISTRY OF  
INTERNATIONAL TRADE AND INDUSTRY

# MITI POCKET TALK 2022

## TOPIC

Introduction  
to FTAs

Introduction to  
Preferential  
Certificate of  
Origin (PCO)

Introduction to  
Strategic Trade  
Act 2010

## DATE

23 February 2022

20 July 2022

23 March 2022

24 August 2022

27 April 2022

21 September 2022

25 May 2022

19 October 2022

22 June 2022

23 November 2022



Click here to register

For more information, please contact the Secretariat

Fairul : 03-6207 1152 (fairul@miti.gov.my)

Arshana : 03-6207 1093 (arshana.jalil@miti.gov.my)



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