



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

### Highest Trade, Exports, Imports and Trade Surplus for November

Malaysia's trade continued its stellar performance and maintained an upward trajectory in November 2022 with trade, exports, imports and trade surplus registering the highest monthly value for the month of November. Trade expanded by 15.6% to RM238.17 billion compared to November 2021, the 22nd consecutive month of year-on-year (y-o-y) double-digit expansion. Exports rose by 15.6% to RM130.24 billion, the 16th successive month of double-digit growth. Imports was higher by 15.6% to RM107.93 billion and trade surplus increased by 15.6% to RM22.3 billion.

The export expansion was underpinned by strong exports of electrical and electronic (E&E) products, liquefied natural gas (LNG), petroleum products as well as crude petroleum. Meanwhile, exports to major trading partners notably ASEAN, the United States (US), the European Union (EU) and Japan recorded double-digit growth. Compared to October 2022, trade surplus rose by 23.5% while trade, exports and imports contracted by 2.8%, 1% and 4.9%, respectively.

For the period of January to November 2022, trade expanded by 29.9% to RM2.613 trillion compared to the same period last year. Exports increased by 27.2% to RM1.42 trillion. Imports rose by 33.3% to RM1.193 trillion and trade surplus edged up by 2.6% to RM227.89 billion. Trade, exports, imports and trade surplus registered the highest value for the period.

### Export Performance of Major Sectors

#### *Manufactured and Mining Goods Registered Double-Digit Export Growth*

In November 2022, exports of manufactured goods which accounted for 84.6% of total exports grew by 15% y-o-y to RM110.23 billion and was the 16th straight month of double-digit expansion. The growth was underpinned by E&E products and petroleum products, which respectively posted more than RM1 billion increase in exports.

Exports of mining goods (8% share) soared by 62.6% y-o-y to RM10.43 billion, the 20th successive month of double-digit growth led by higher exports of LNG and crude petroleum.

Exports of agriculture goods (6.8% share) declined by 11.1% to RM8.87 billion compared to November 2021 due to lower exports of palm oil and palm oil-based agriculture products.

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

Major exports in November 2022:

- E&E products, valued at RM53.16 billion and accounted for 40.8% of total exports, increased by 32.1% from November 2021;
- Petroleum products, RM12.33 billion, 9.5% of total exports, increased by 26.4%;
- Chemicals and chemical products, RM7.16 billion, 5.5% of total exports, increased by 9.9%;
- Palm oil and palm oil-based agriculture products, RM6.81 billion, 5.2% of total exports, decreased by 14%; and
- LNG, RM6.62 billion, 5.1% of total exports, surged by 69.5%.

On a month-on-month (m-o-m) basis, exports of agriculture goods climbed by 3% while exports of manufactured and mining goods contracted by 0.8% and 7%, respectively.

For the period of January to November 2022, almost all products recorded export growth. Exports of manufactured goods grew by 24.3% to RM1.197 trillion compared to the same period last year. This was attributed to higher exports of E&E products, petroleum products, machinery, equipment and parts, chemicals and chemical products as well as palm oil-based manufactured products.

Exports of agriculture goods rose by 26.3% to RM109.9 billion owing to higher exports of palm oil and palm oil-based agriculture products.

Exports of mining goods leaped by 72.1% to RM107.33 billion driven by strong exports of LNG and crude petroleum.

### Trade Performance with Major Markets

#### *ASEAN – Exports Recorded 16th Consecutive Month of Double-Digit Growth*

In November 2022, trade with ASEAN contributed 26.6% to Malaysia's total trade, rising by 11.6% y-o-y to RM63.46 billion. Exports edged up by 16.9% to RM38.69 billion, the 16th consecutive month of double-digit growth. This was on account of higher exports of E&E products and petroleum products. Imports from ASEAN increased by 4.1% to RM24.77 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM22.00 billion, increased by 36.3%;
- Thailand RM5.58 billion, ↑23.4%;
- Indonesia RM4.31 billion, ↑9.9%;
- Viet Nam RM3.83 billion, ↓25.2%;
- Philippines RM2.19 billion, ↓2.1%;
- Brunei RM346.0 million, ↓41%;
- Myanmar RM247.7 million, ↓29%;
- Cambodia RM111.8 million, ↓30.9%; and
- Lao PDR RM75.9 million, ↑46.7%.

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

Exports to ASEAN major markets that recorded increases were Singapore which grew by RM5.86 billion, bolstered by robust exports of E&E products and Thailand (↑RM1.06 billion, petroleum products). Compared to October 2022, trade and imports rose by 0.2% and 0.9%, respectively while exports slipped by 0.2%.

In the first 11 months of 2022, trade with ASEAN expanded by 36.7% to RM709.31 billion compared to the same period of 2021. Exports to this region climbed by 33.9% to RM414.81 billion led by strong exports of E&E products, petroleum products, crude petroleum as well as machinery, equipment and parts. Imports from ASEAN increased by 40.7% to RM294.5 billion.

### *China – Exports of E&E Products Remained Strong*

In November 2022, trade with China which made up 18.1% of Malaysia's total trade rose by 13.5% y-o-y to RM43.18 billion, the 24th consecutive month of double-digit growth. Exports to China recorded a growth of 9.2% to RM18.85 billion as a result of robust exports of E&E products. Imports from China grew by 17.1% to RM24.33 billion. Compared to October 2022, trade, exports and imports were up by 4%, 2.4% and 5.2%, respectively.

Trade with China during the first 11 months of 2022 increased by 17.5% to RM445.26 billion compared to the same period of 2021. Exports edged up by 12% to RM192.71 billion on account of higher exports of E&E products, LNG as well as palm oil and palm oil-based agriculture products. Imports from China climbed by 22% to RM252.55 billion.

### *The US – Trade, Exports and Imports Rose with Double Digit Growth*

Trade with the US in November 2022, which represented 9.6% of Malaysia's total trade rose by 15.6% y-o-y to RM22.82 billion, the 15th straight month of double-digit expansion. Exports expanded by 11.8% to RM14.59 billion attributed to strong exports of E&E products. Imports from the US edged up by 23% to RM8.23 billion. On a m-o-m basis, exports grew by 6.2% while trade and imports shrank by 4.8% and 19.7%, respectively.

For the period of January to November 2022, trade with the US grew by 25.4% to RM245.52 billion compared to the same period of 2021. Exports rose by 18.9% to RM152.14 billion backed by robust exports of E&E products, iron and steel products, petroleum products as well as optical and scientific equipment. Imports from the US increased by 37.5% to RM93.38 billion.

### *The EU – Trade Remained Buoyant*

Trade with the EU which accounted for 7.8% of Malaysia's total trade in November 2022 grew by 12% y-o-y to RM18.66 billion. Exports rose by 16.3% to RM10.5 billion aided by strong exports of petroleum products, transport equipment and E&E products. Imports from the EU expanded by 6.9% to RM8.17 billion.

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

Breakdown of exports to the top 10 EU markets which accounted for 93.9% of Malaysia's total exports to the EU were:

- Netherlands RM3.33 billion, increased by 12%
- Germany RM2.35 billion, ↑14.8%;
- France RM1.33 billion, ↑245%;
- Belgium RM961.2 million, ↑67.6%;
- Italy RM477.9 million, ↓33.1%;
- Czech Republic RM464.4 million, ↑3.9%;
- Spain RM392.4 million, ↓11.9%;
- Poland RM241.9 million, ↑29%;
- Hungary RM194.7 million, ↓8.4%; and
- Sweden RM122.8 million, ↓12.9%.

Exports to the EU major markets that grew were the Netherlands, which increased by RM356.6 million, due to higher exports of petroleum products, Germany (↑RM303.7 million, E&E products) and France (↑RM942.9 million, transport equipment). Compared to October 2022, trade, exports and imports increased by 7.3%, 8.3% and 6%, respectively.

During the first 11 months of 2022, trade with the EU increased by 19.8% to RM196.14 billion compared to the same period of 2021. Exports rose by 22% to RM114.17 billion, supported by higher exports of E&E products, petroleum products and manufactures of metal. Imports from the EU was up by 16.8% to RM81.97 billion.

### *Japan – LNG Boosted Export Growth*

In November 2022, trade with Japan which comprised 6.7% of Malaysia's total trade rose by 20.9% y-o-y to RM15.93 billion. Exports climbed by 31.6% to RM8.89 billion, the 21st successive month of double-digit expansion contributed by higher exports of LNG. Imports from Japan expanded by 9.7% to RM7.04 billion. On a m-o-m basis, trade and exports increased by 0.1% and 3.8%, respectively while imports contracted by 4.2%.

For the period of January to November 2022, trade with Japan rose by 23% to RM166.86 billion compared to the same period of 2021. Exports edged up by 31.2% to RM90.33 billion boosted by higher exports of LNG, crude petroleum as well as palm oil and palm oil-based agriculture products. Imports from Japan increased by 14.5% to RM76.53 billion.

### **Trade with FTA Partners**

In November 2022, trade with Free Trade Agreement (FTA) partners which took up 67.3% of Malaysia's total trade increased by 14.7% y-o-y to RM160.26 billion. Exports to FTA partners rose by 17.6% to RM90.88 billion and imports grew by 11.2% to RM69.38 billion.

Increases in exports were recorded to Australia, which grew by 59.2% to RM4.24 billion and New Zealand (↑29.9% to RM644.5 million), buoyed by strong exports of petroleum products.

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

Exports to the Republic of Korea rose by 25.6% to RM4.64 billion and exports to Hong Kong SAR grew by 26% to RM8.55 billion, supported by robust exports of E&E products. Meanwhile, exports to Pakistan expanded by 13.9% to RM516.4 million following higher exports of palm oil and palm oil-based agriculture products. Compared to October 2022, trade, exports and imports grew by 1.4%, 1.9% and 0.7%, respectively.

Trade with FTA partners during the first 11 months of 2022, which made up 66.2% of Malaysia's total trade rose by 28.8% to RM1.729 trillion compared to the same period of 2021. Exports increased by 28.2% to RM958.75 billion and imports edged up by 29.5% to RM769.87 billion.

### Import Performance

Total imports in November 2022 grew by 15.6% y-o-y to RM107.93 billion. The three main categories of imports by end use, which accounted for 72.8% of total imports were:

- Intermediate goods, valued at RM59.27 billion or 54.9% of total imports, increased by 8.2%, following higher imports of primary fuel and lubricants;
- Capital goods, valued at RM9.79 billion or 9.1% of total imports, grew by 3.2%, due to strong imports of capital goods except transport equipment; and
- Consumption goods, valued at RM9.5 billion or 8.8% of total imports, rose by 23.6%, as a result of higher imports of processed food and beverages mainly for household consumption.

During the period of January to November 2022, imports expanded by 33.3% to RM1.193 trillion compared to the same period of 2021. Imports of intermediate goods grew by 31.6% to RM650.9 billion, capital goods (↑17.9% to RM110.35 billion) and consumption

**Ministry of International Trade and Industry**

**19 DECEMBER 2022**

## EXTERNAL TRADE, NOVEMBER 2022

### Trade, Exports, Imports and Trade Surplus Recorded Highest Monthly Value for the Month of November

Malaysia's trade continued its upward trajectory in November 2022 with a 15.6% growth for trade, exports, imports and trade surplus, respectively.

TRADE	EXPORTS	IMPORTS	TRADE SURPLUS
RM238.17 bil ↑15.6%*	RM130.24 bil ↑15.6%	RM107.93 bil ↑15.6%	RM22.30 bil ↑15.6%

#### TOP MARKETS EXPORT & IMPORT

70.3% of exports		69.1% of imports	
<b>ASEAN</b> RM38.69 bil, (29.7%)** ↑16.9%		<b>ASEAN</b> RM24.77 bil, (22.9%)** ↑4.1%	
<b>CHINA</b> RM18.85 bil, (14.5%) ↑9.2%		<b>CHINA</b> RM24.33 bil, (22.5%) ↑17.1%	
<b>USA</b> RM14.59 bil, (11.2%) ↑11.8%		<b>TAIWAN</b> RM9.06 bil, (8.4%) ↑30.8%	
<b>EU</b> RM10.50 bil, (8.1%) ↑16.3%		<b>USA</b> RM8.23 bil, (7.6%) ↑23.0%	
<b>JAPAN</b> RM8.89 bil, (6.8%) ↑31.6%		<b>EU</b> RM8.17 bil, (7.6%) ↑6.9%	

66.1% of exports		63.3% of imports	
<b>E&amp;E Products</b> RM53.16 bil, (40.8%)** ↑32.1%		<b>E&amp;E Products</b> RM35.76 bil, (33.1%)** ↑17.5%	
<b>Petroleum Products</b> RM12.33 bil, (9.5%) ↑26.4%		<b>Petroleum Products</b> RM10.23 bil, (9.5%) ↑4.1%	
<b>Chemical Products</b> RM7.16 bil, (5.5%) ↑9.9%		<b>Chemical Products</b> RM9.23 bil, (8.6%) ↑1.8%	
<b>Palm Oil (Agriculture)</b> RM6.81 bil, (5.2%) ↓14.0%		<b>Machinery, Equipment &amp; Parts</b> RM7.78 bil, (7.2%) ↑23.1%	
<b>LNG</b> RM6.62 bil, (5.1%) ↑69.5%		<b>Manufactures of Metal</b> RM5.34 bil, (5.0%) ↑10.1%	

#### TOP EXPORT & IMPORT PRODUCTS

\*% Growth in November 2022 compared to November 2021

\*\* Share to total exports/imports

Source: DOSM

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## EXTENAL TRADE, JAN -NOV 2022

### Trade, Exports and Imports Registered Strong Double-Digit Growth

Exports and imports for all major markets and products posted robust growth.

TRADE	EXPORTS	IMPORTS	TRADE SURPLUS
RM2.613 tril ↑29.9%*	RM1.420 tril ↑27.2%	RM1.193 tril ↑33.3%	RM227.89 bil ↑2.6%

### TOP MARKETS EXPORT & IMPORT

67.9% of exports

#### ASEAN

RM414.81 bil, (29.2%)\*\*

↑33.9%



68.8% of imports

#### ASEAN

RM294.50 bil, (24.7%)\*\*

↑40.7%



#### CHINA

RM192.71 bil, (13.6%)

↑12.0%



#### CHINA

RM252.55 bil, (21.2%)

↑22.0%



#### USA

RM152.14 bil, (10.7%)

↑18.9%



#### TAIWAN

RM98.07 bil, (8.2%)

↑44.8%



#### EU

RM114.17 bil, (8.0%)

↑22.0%



#### USA

RM93.38 bil, (7.8%)

↑37.5%



#### JAPAN

RM90.33 bil, (6.4%)

↑31.2%



#### EU

RM81.97 bil, (6.9%)

↑16.8%



64.5% of exports

#### E&E Products

RM541.69 bil, (38.1%)\*\*

↑33.4%



62.6% of imports

#### E&E Products

RM363.59 bil, (30.5%)\*\*

↑28.1%



#### Petroleum Products

RM151.37 bil, (10.7%)

↑69.7%



#### Petroleum Products

RM137.54 bil, (11.5%)

↑65.5%



#### Palm Oil (Agriculture)

RM87.61 bil, (6.2%)

↑31.1%



#### Chemical Products

RM106.61 bil, (8.9%)

↑22.0%



#### Chemical Products

RM73.81 bil, (5.2%)

↑15.6%



#### Machinery, Equipment & Parts

RM81.12 bil, (6.8%)

↑32.5%



#### LNG

RM61.63 bil, (4.3%)

↑84.5%



#### Manufactures of Metal

RM58.09 bil, (4.9%)

↑17.5%



### TOP EXPORT & IMPORT PRODUCTS

\*% Growth in January-November 2022 compared to January-November 2021

\*\* Share to total exports/imports

Source: DOSM

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# RUBBER STATISTICS, OCTOBER 2022

## PRODUCTION of NATURAL RUBBER ↓ 10.3%

35,460 tonnes



September 2022

31,795 tonnes

October 2022<sup>P</sup>

## AVERAGE PRICE (sen/kg)

↑ 0.6%

S.M.R 20

October 2022: 602.68  
September 2022: 599.19

↓ 2.2%

Concentrate Latex

October 2022: 466.42  
September 2022: 476.76

## STOCKS ↓ 0.3%

October 2022<sup>P</sup> : 198,122 tonnes  
September 2022: 198,706 tonnes



## DOMESTIC CONSUMPTION ↓ 1.9%

October 2022<sup>P</sup> : 28,494 tonnes  
September 2022: 29,040 tonnes



Rubber Gloves

October 2022<sup>P</sup> : 20,098 tonnes  
September 2022 : 21,311 tonnes



Rubber Thread

October 2022<sup>P</sup> : 2,433 tonnes  
September 2022: 1,470 tonnes



Tyres &amp; Tube

October 2022<sup>P</sup> : 2,309 tonnes  
September 2022 : 2,343 tonnes



Others

October 2022<sup>P</sup> : 3,655 tonnes  
September 2022 : 3,916 tonnes

## IMPORTS

October 2022<sup>P</sup> : 79,233 tonnes

Share of top three countries  
66.0%



8.4%

Philippines



56.7%

Thailand



1.0%

Viet Nam

## EXPORTS

October 2022<sup>P</sup> : 41,548 tonnes

Share of top three countries  
67.7%



8.2%

Germany



56.2%

P.R. China



3.3%

Brazil

Source: Monthly Rubber Statistics October 2022, Department of Statistics Malaysia (DOSM)

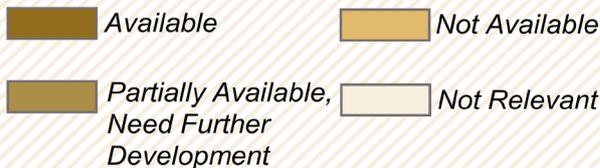
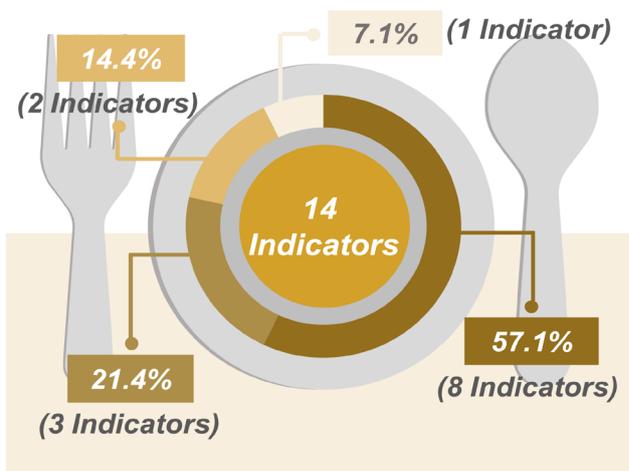
## GOAL 2 : ZERO HUNGER



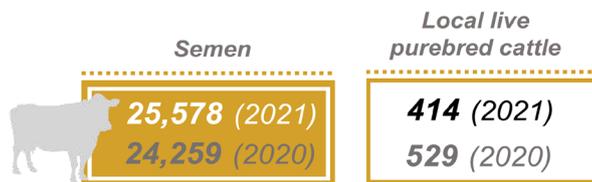
2 ZERO HUNGER



### ZERO HUNGER



**SDG 2.5.1** Number of animal genetic resources for food and agriculture secured in either medium or long-term conservation facilities



Note: Institut Biodiversiti Veterinar Kebangsaan (IBVK), Department of Veterinary Services (DVS)

**SDG 2.5.2**



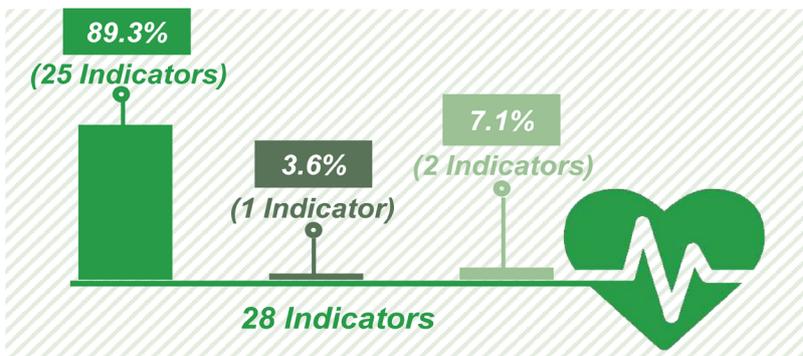
**99.9%** Local breeds classified as being at risk of extinction in 2020<sup>e</sup> and 2021<sup>e</sup>

Note: <sup>e</sup> Estimation based on number of purebred animal and semen in DVS nucleus farm in Malaysia and IBVK

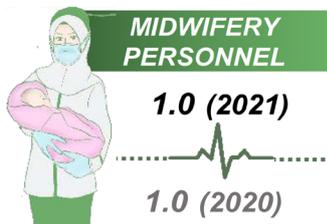
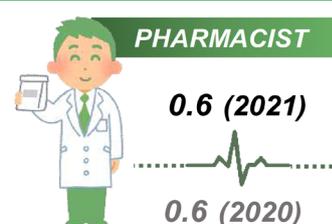
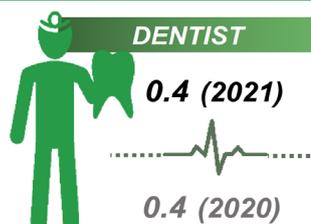
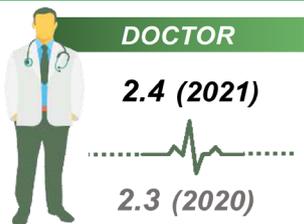
Source: Department of Veterinary Services, Malaysia

### GOOD HEALTH AND WELL-BEING

3 GOOD HEALTH AND WELL-BEING



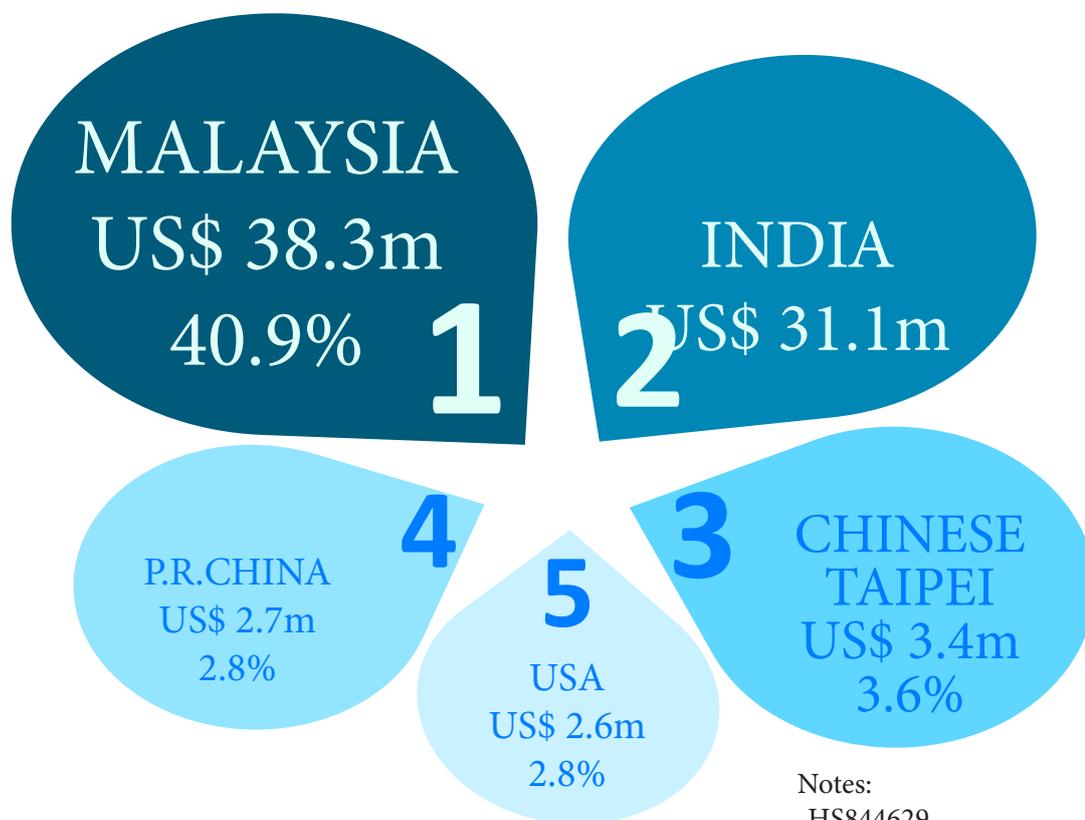
**SDG 3.c.1** Health worker density and distribution per 1,000 population



Source: Ministry of Health Malaysia

## WORLD LARGEST EXPORTERS OF HAND LOOMS FOR WEAVING FABRICS OF A WIDTH > 30 CM, SHUTTLE TYPE

In 2021, Malaysia's export of Hand looms for weaving fabrics of a width > 30 cm, shuttle type recorded US\$ 38.3 Million which was 40.9% share of the world exports.

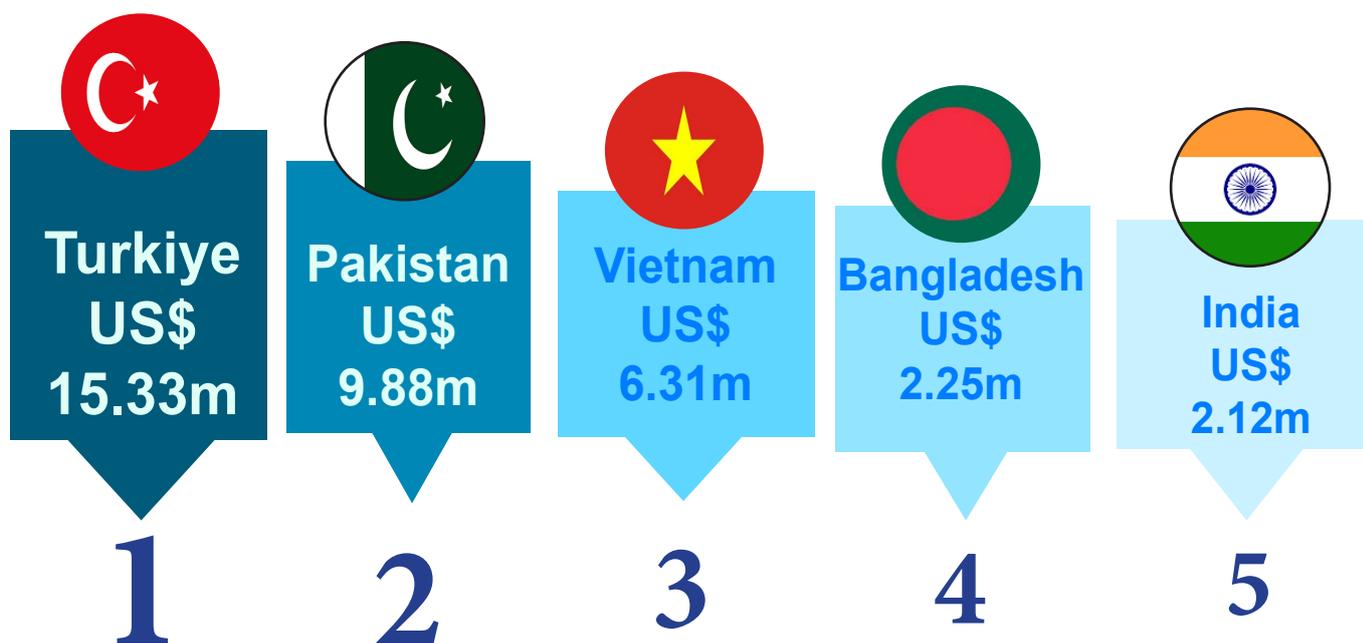


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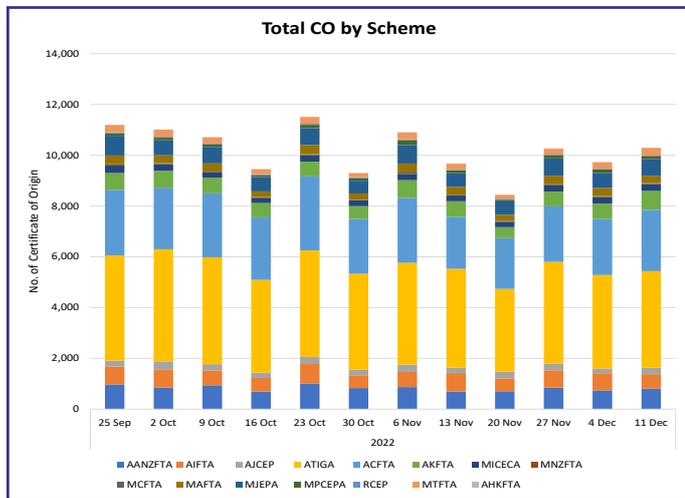
-% refer to share in world exports

## MALAYSIA'S TOP EXPORT DESTINATIONS

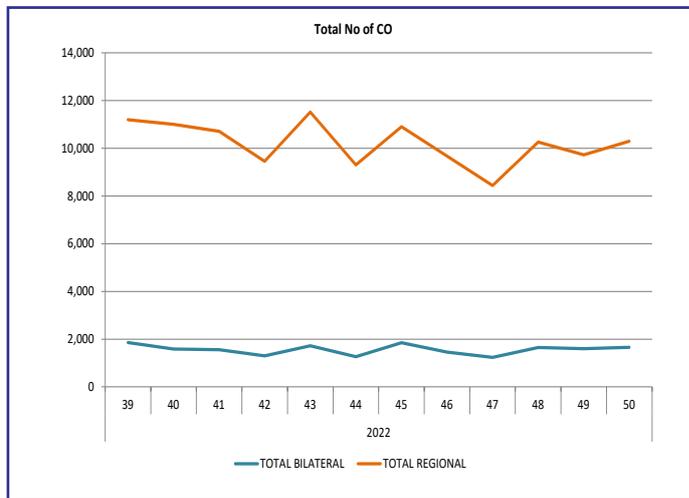


# Number and FOB Value of PCO as at 11 December 2022 Weekly / Monthly/ Annually

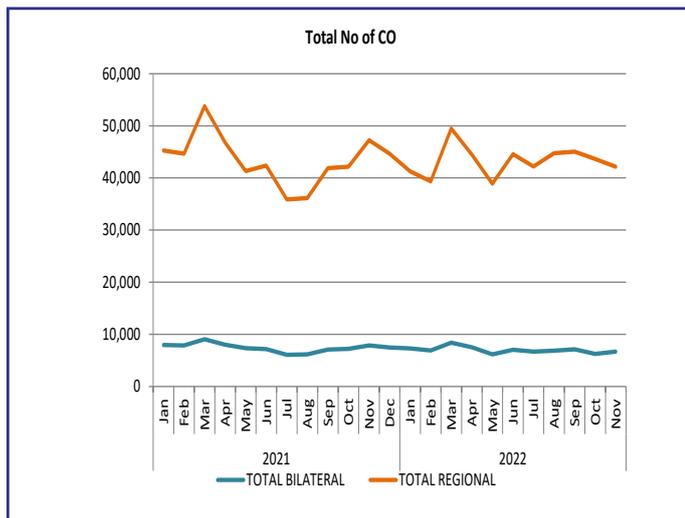
## Weekly Total Scheme



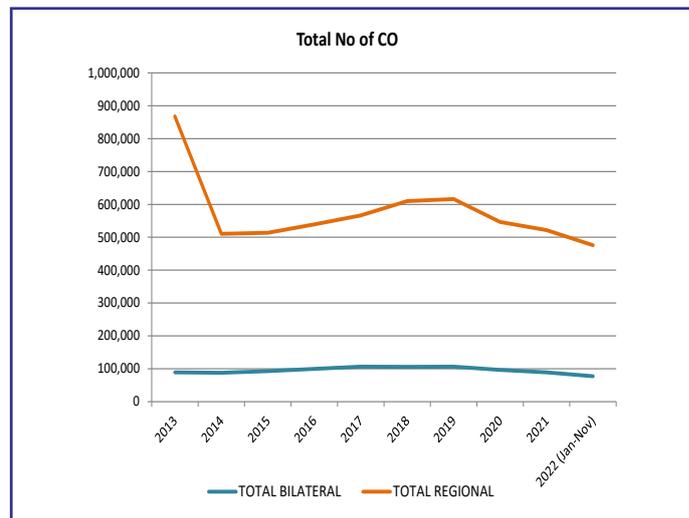
## Weekly



## Monthly

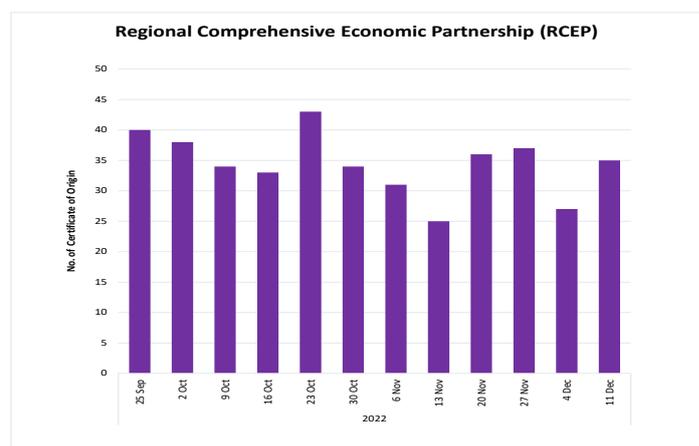
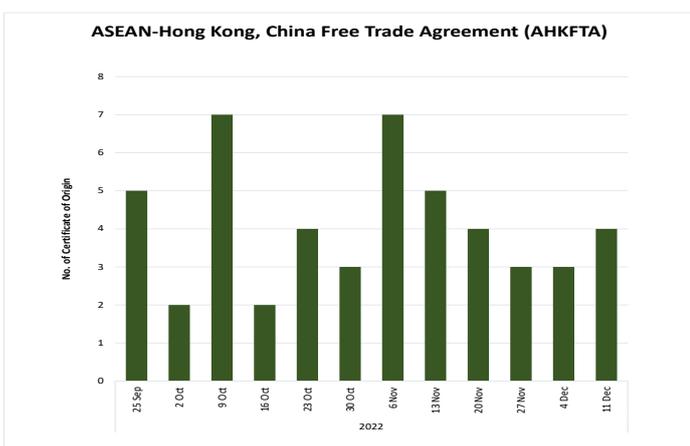
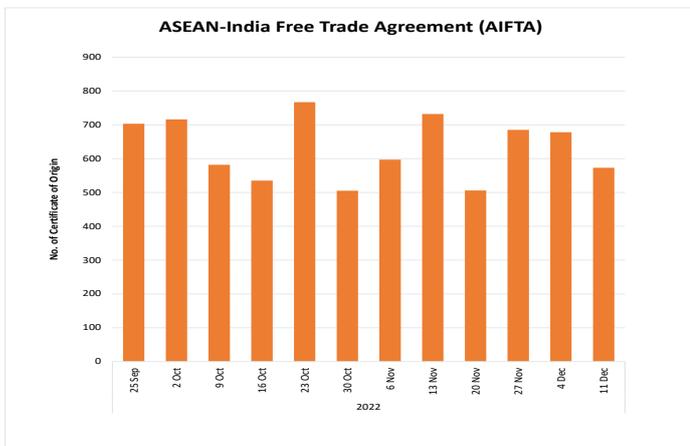
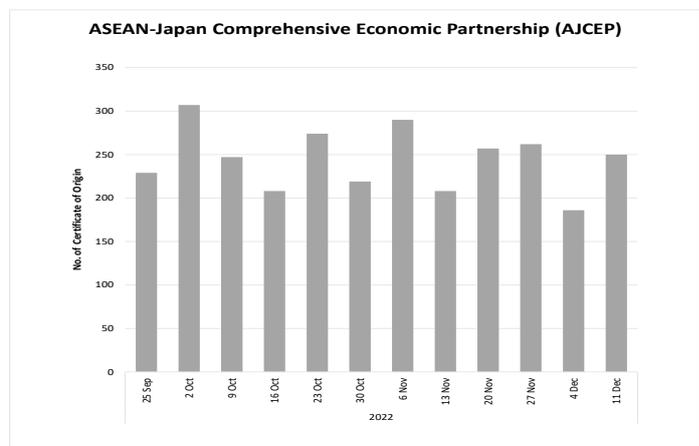
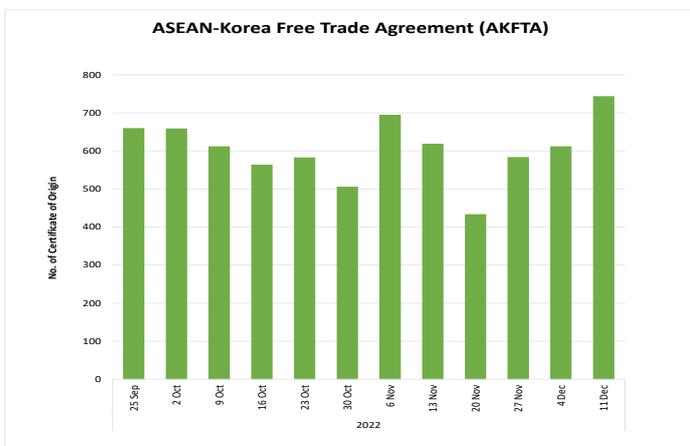
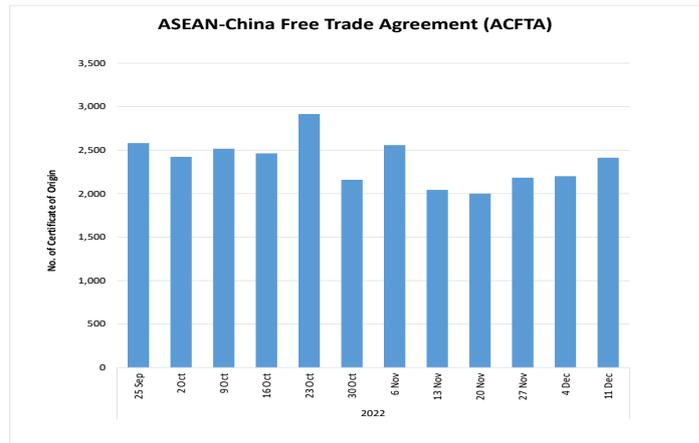


## Annually



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

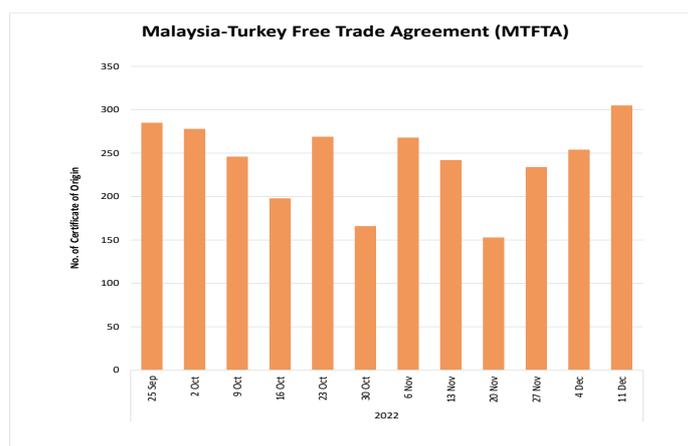
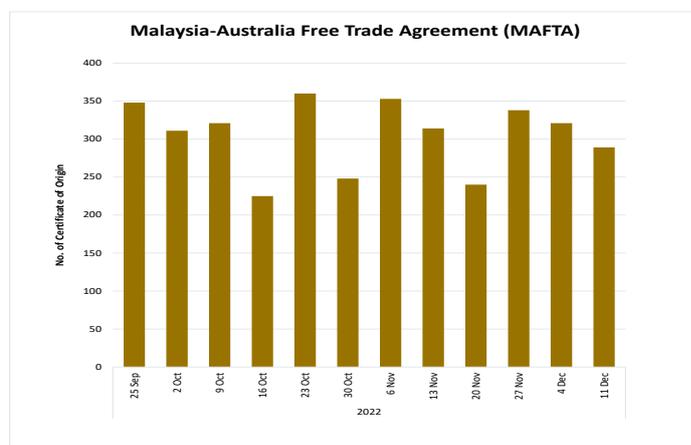
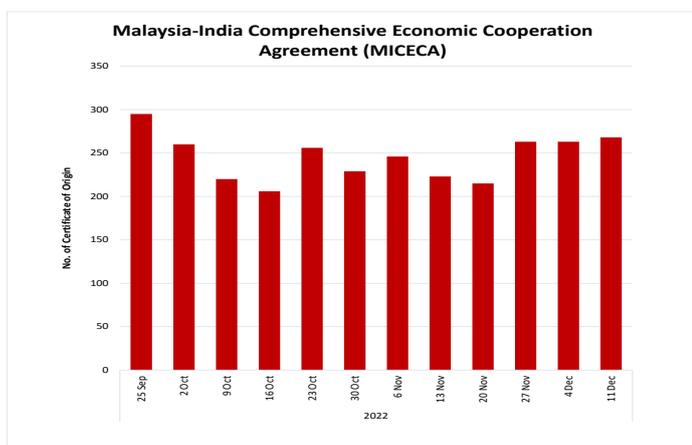
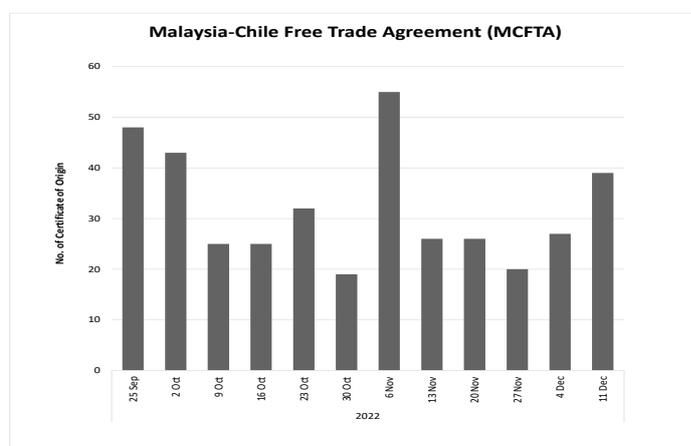
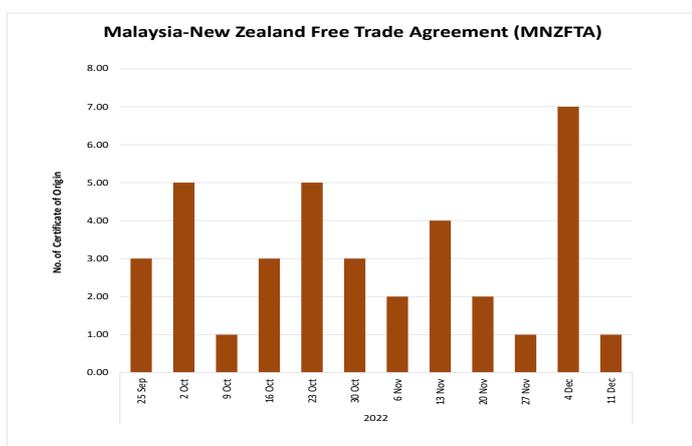
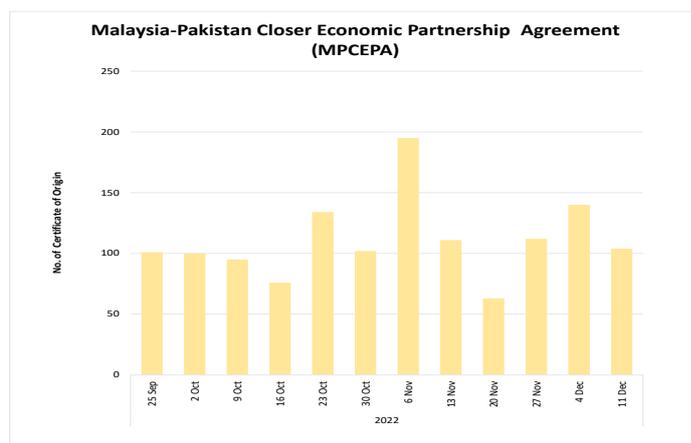
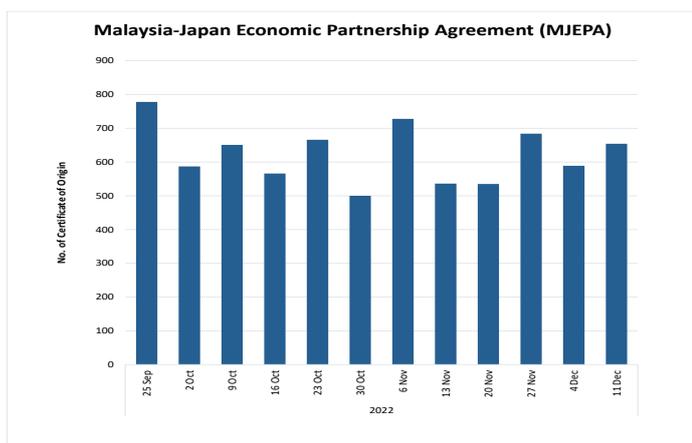
# Regional FTA Number of Preferential Certificates of Origin (PCOs) as at 11 December 2022



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

# Bilateral FTA

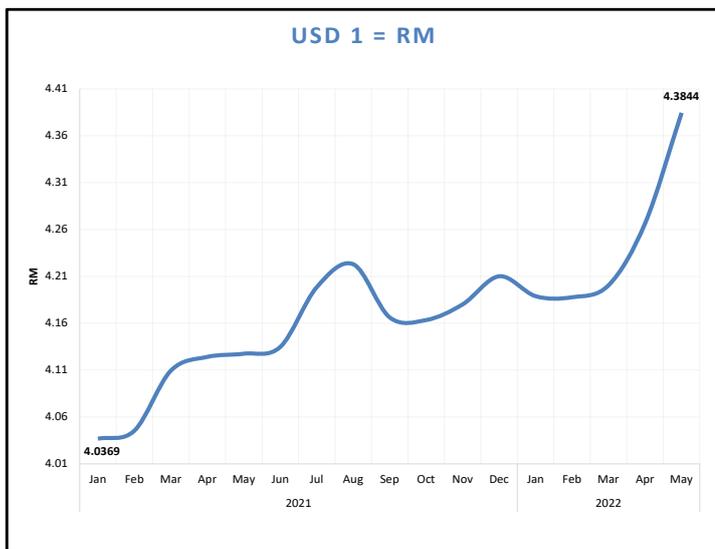
## Number of Preferential Certificates of Origin (PCOs) as at 11 December 2022



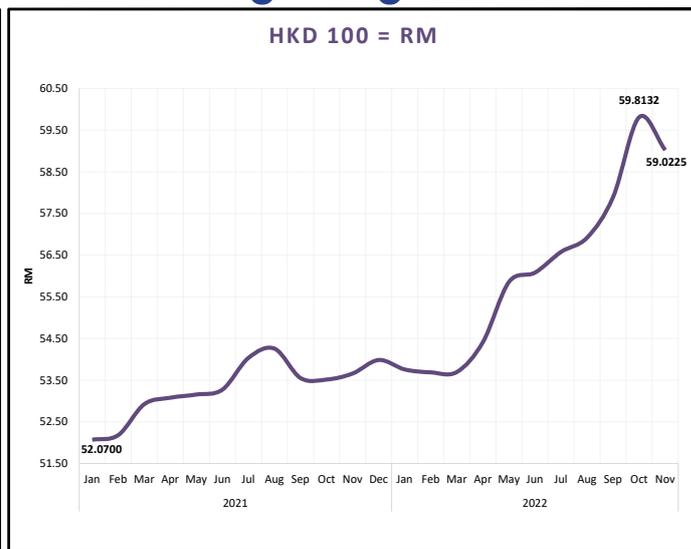
Note: \*Provisional Data  
Source: Ministry of International Trade and Industry, Malaysia

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

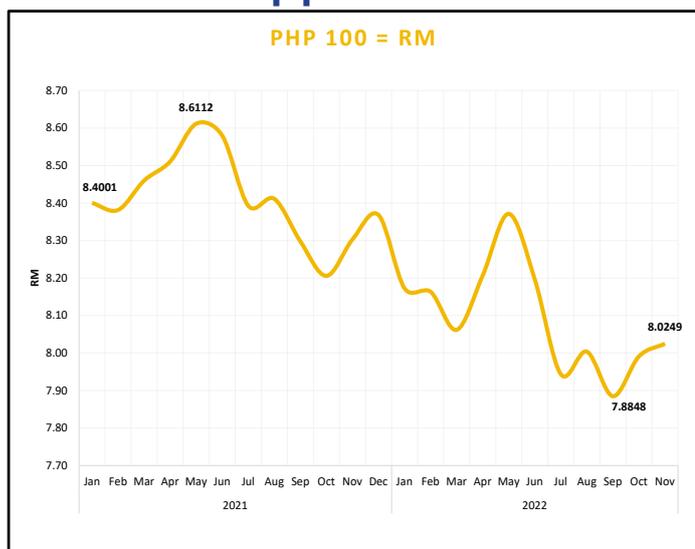
## US Dollar



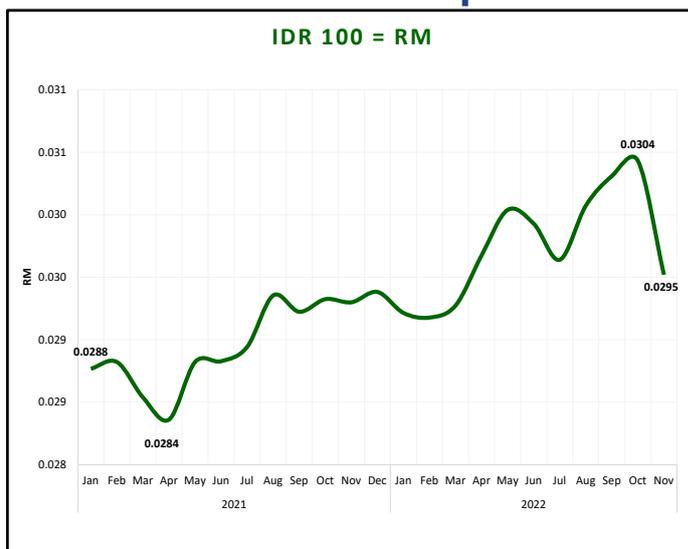
## Hong Kong Dollar



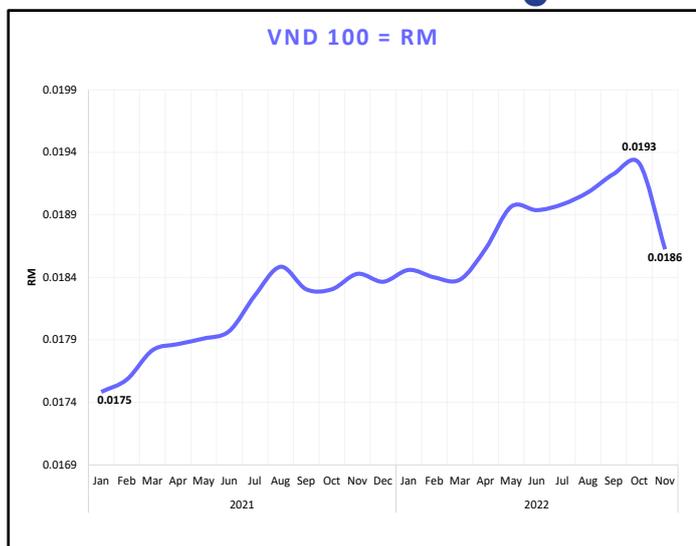
## Philippine Peso



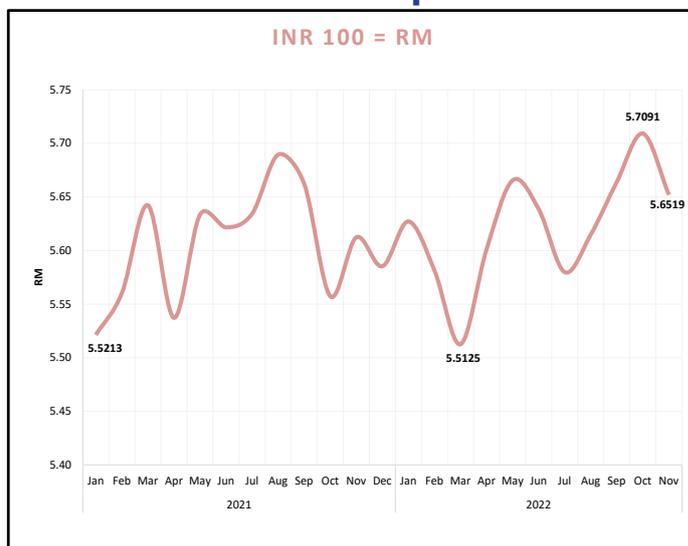
## Indonesian Rupiah



## Vietnamese Dong



## Indian Rupee



Source : Bank Negara Malaysia

# Commodity Prices

## CRUDE PETROLEUM (BRENT) -per bbl-



▲ **3.9%\***  
US\$79.0  
**16 Dec 2022**

Highest  
2021/2022

10 June 2022 : US\$122.0  
22 Oct 2021 : US\$85.5

9 Dec 2022 : US\$76.1  
15 Jan 2021 : US\$55.1

Lowest  
2021/2022

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

## CRUDE PALM OIL -per MT-



▼ **2.0%\***  
US\$883.1  
**16 Dec 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-



▼ **0.2%\***  
US\$1,398.0  
**16 Dec 2022**

## COCOA SMC 2 -per MT-



▲ **3.2%\***  
US\$1,695.3  
**16 Dec 2022**

## SUGAR -per lbs-

▲ **2.5%\***  
US\$20.1  
**16 Dec 2022**



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

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

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

## COAL -per MT-



▼ **10.2%\***  
US\$234.2  
**16 Dec 2022**

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

## SCRAP IRON HMS -per MT-

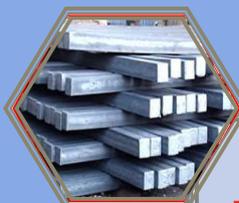


▼ **9.9%\*** : ▼ **3.8%\***  
US\$363.8 : US\$336.7  
(high) : (low)  
**October 2022**

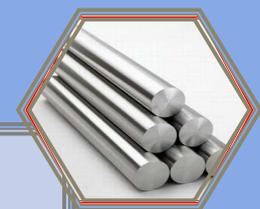
Average Price 2021 <sup>i</sup>: US\$486.4 (high)  
Average Price 2021 <sup>i</sup>: US\$468.1 (low)

## Domestic Prices

October 2022



**Billets**  
(per MT)  
**RM2,498 - RM2,584**



**Steel Bars**  
(per MT)  
**RM2,600 - RM2,810**

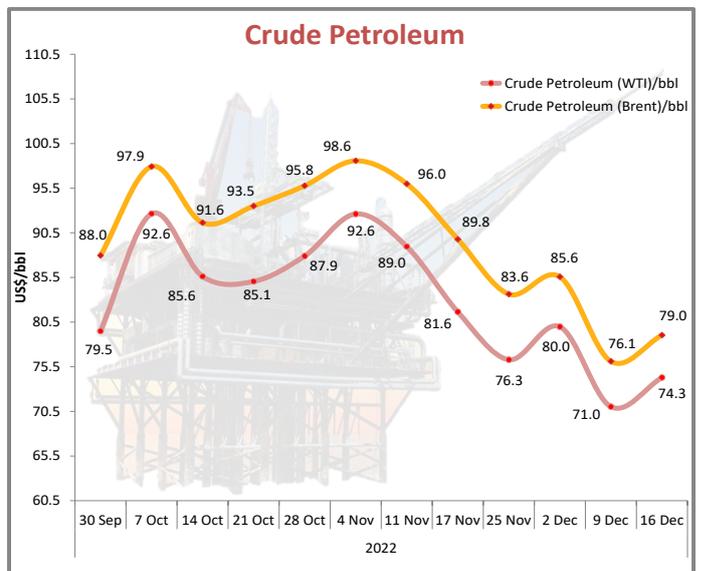
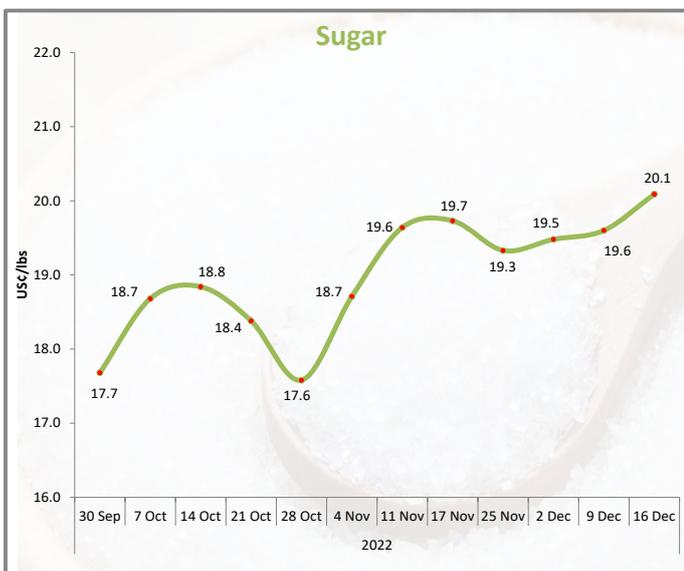
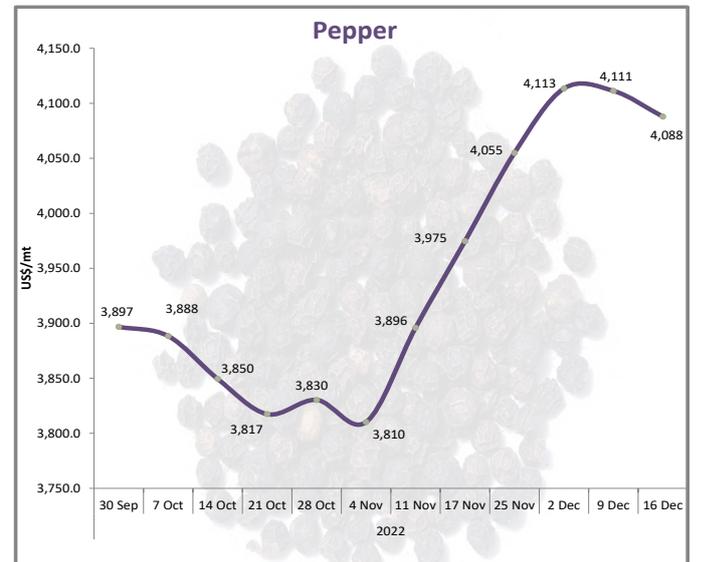
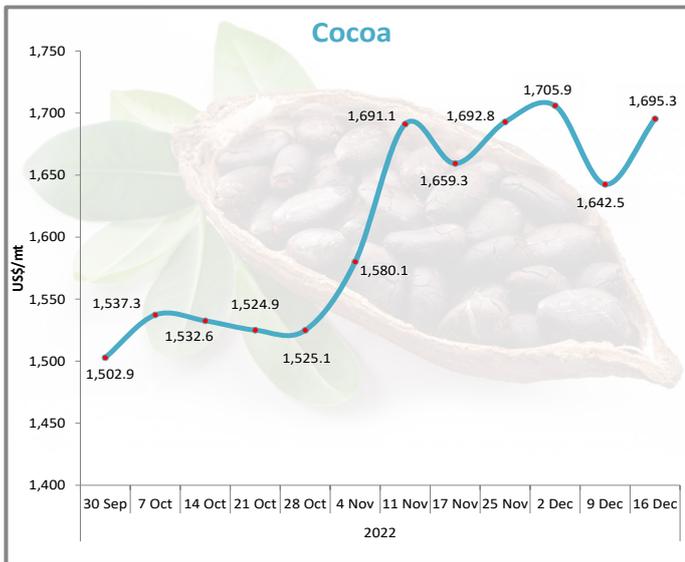
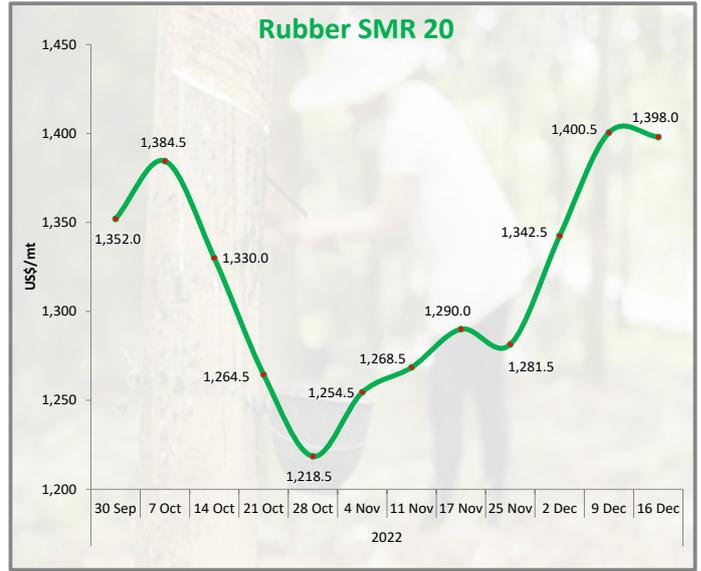
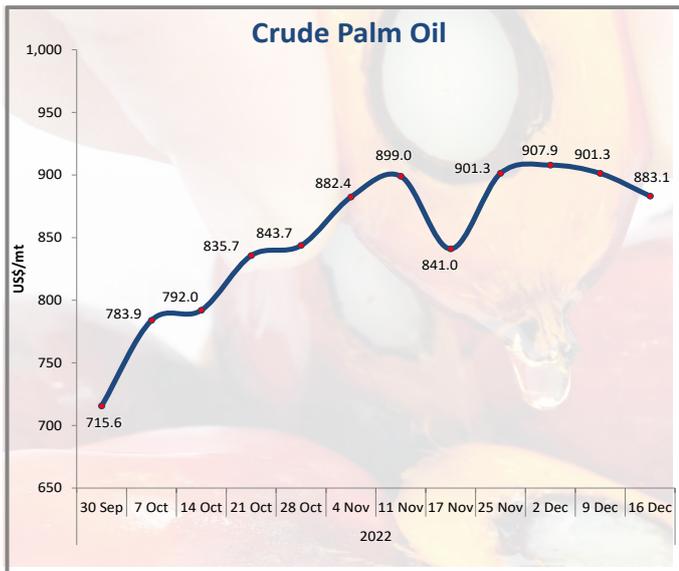
Notes: All figures have been rounded to the nearest decimal point

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

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

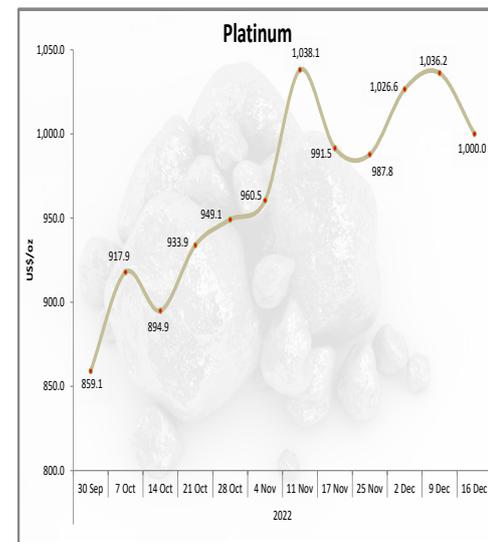
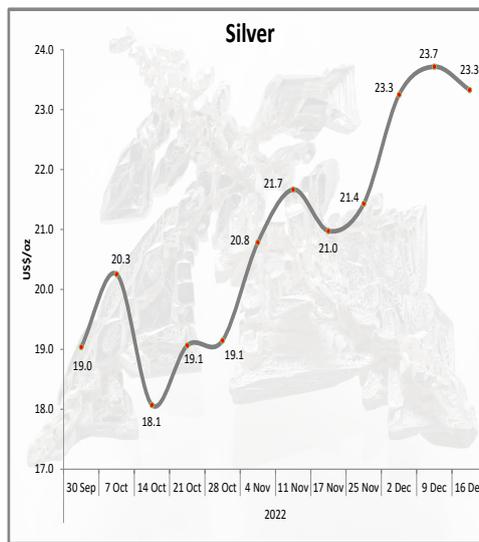
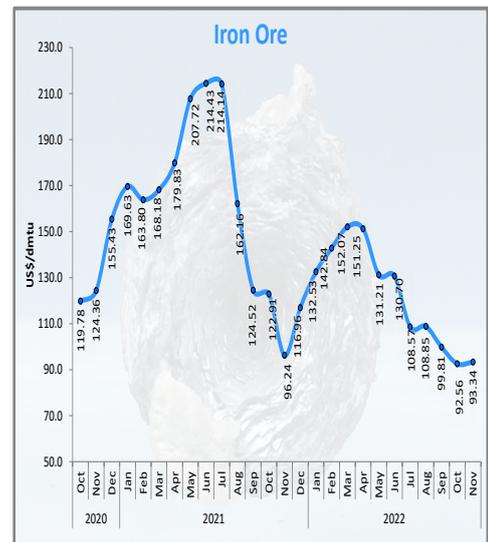
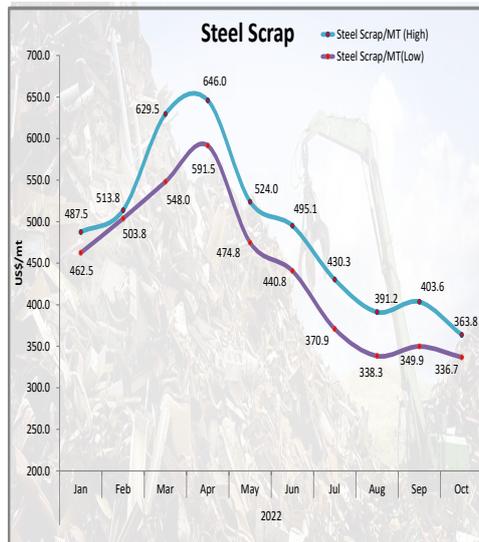
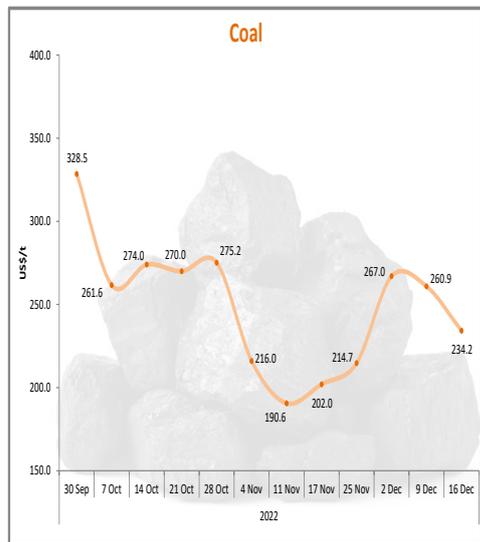
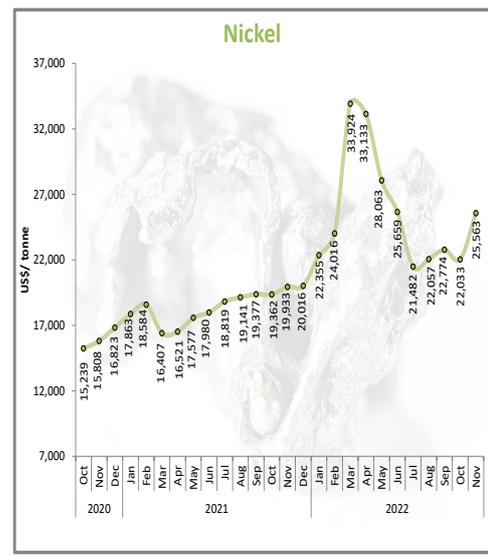
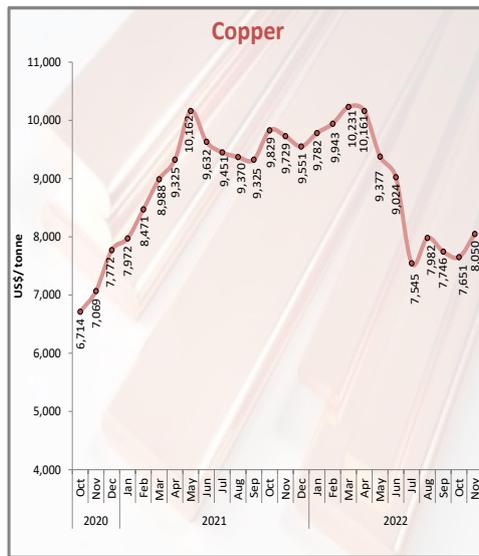
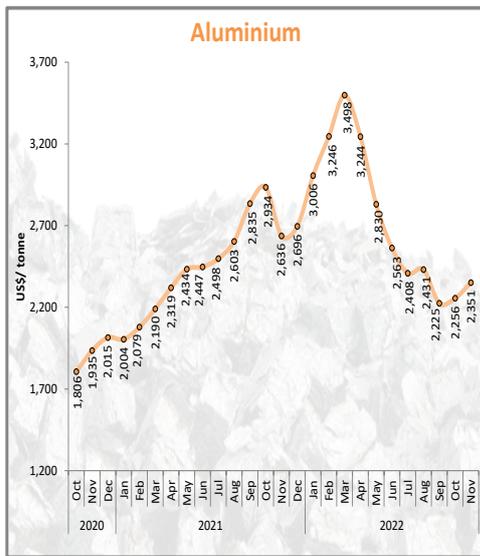
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

# 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 Czarikow 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 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.miti.gov.my](http://www.miti.gov.my)

### Industry Digitalisation Transformation Fund (IDTF)

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

#### Coming Soon!

1. Intervention Fund\*
  - 70:30 matching grant up to RM500,000.
2. Industry4WRD DSF\*\*
  - 60:40 matching grant

\*participation in Industry4WRD EA 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?

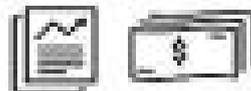
Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

#### 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.

### Process Flow

A FEW SIMPLE STEPS

#### Incentives for RA

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



#### Enquiries

- General: [i4.0@miti.gov.my](mailto:i4.0@miti.gov.my)
- RA: [industry4wrds@mpi.gov.my](mailto:industry4wrds@mpi.gov.my)



Grp 01 RA Assessment



Apply online at [www.miti.gov.my/industry4wrds](http://www.miti.gov.my/industry4wrds)



Evaluation by Committees



Onsite Assessment



Receive RA Report

Business Intervention



Develop Intervention Proposal



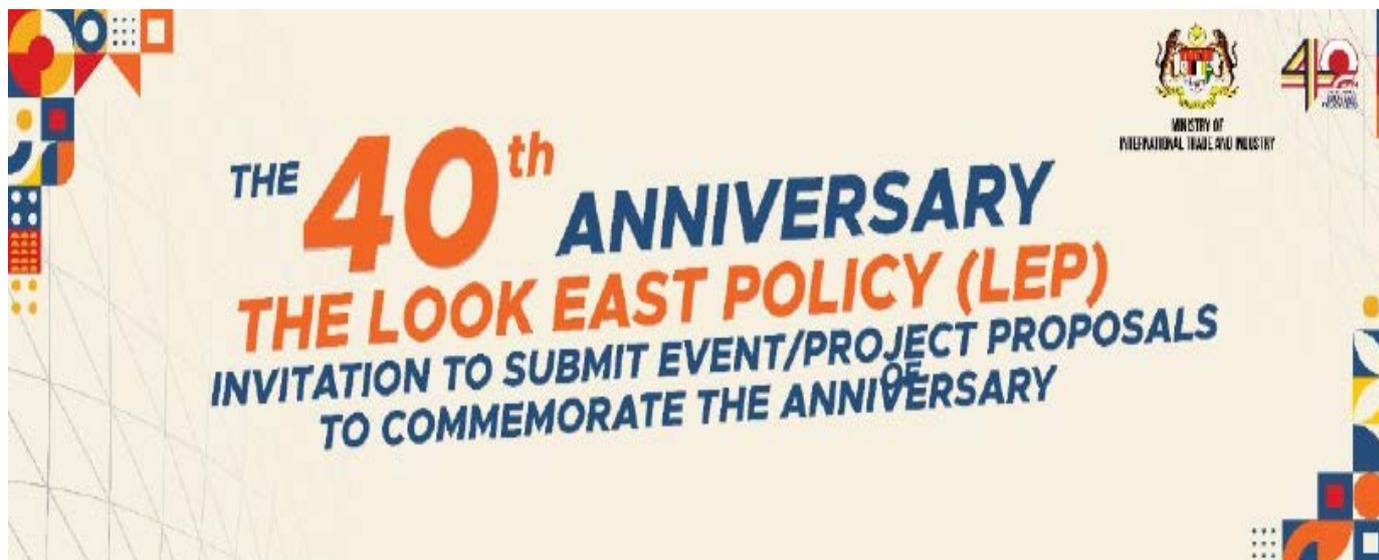
Apply for Financial Incentives



Implement the Intervention Plan

For more information, kindly click the following links:

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



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