

TRADE PERFORMANCE FOR MARCH 2023 AND THE PERIOD OF JANUARY- MARCH 2023

The Highest Trade Surplus Recorded for the Month of March

Malaysia's trade surplus in March 2023 widened to RM26.69 billion as compared to March 2022. This was the 35th consecutive month of trade surplus since May 2020 and the highest trade surplus ever recorded for the month of March. While trade surplus expanded, trade for the month declined by 1.6% to RM232.72 billion. Exports totalled RM129.71 billion, contracted by 1.4% and imports declined by 1.8% to RM103.01 billion. Compared to February 2023, trade, exports, imports and trade surplus recorded double-digit growth of 13.5%, 15.5%, 11.1% and 36.4%, respectively.

Trade for the first quarter (Q1) of 2023 grew by 3.2% to RM644.87 billion compared to Q1 2022. Exports increased by 2.8% to RM354.63 billion and imports expanded by 3.7% to RM290.24 billion. Trade surplus edged down by 1% to RM64.39 billion. Trade, exports and imports registered the highest value for the period. Compared to the fourth quarter (Q4) of 2022, trade, exports, imports and trade surplus were down by 10.2%, 9.8%, 10.7% and 5.2%, respectively.

Export Performance of Major Sectors

Manufactured Goods Dominated Exports

In March 2023, exports of manufactured goods which constituted 84% or RM108.96 billion of total exports decreased marginally by 0.4% year-on-year (y-o-y), attributed to lower exports of electrical and electronic (E&E) products, rubber products and wood products. Higher exports of petroleum products, optical and scientific equipment as well as machinery, equipment and parts offset the impact of the decline.

Exports of mining goods (8% share) totalled RM10.4 billion, a decrease of 3.5% y-o-y on account of lower exports of petroleum condensate and other petroleum oil. Meanwhile, increase in exports was registered for liquefied natural gas (LNG).

Exports of agriculture goods (7.3% share) stood at RM9.43 billion, fell by 10.8% compared to March 2022 due to lower exports of palm oil and palm oil-based agriculture products.

Major exports in March 2023:

- E&E products, valued at RM50.54 billion and accounted for 39% of total exports, decreased by 4.4% from March 2022;
- Petroleum products, RM12.32 billion, 9.5% of total exports, increased by 32.1%;
- Palm oil and palm oil-based agriculture products, RM7.28 billion, 5.6% of total exports, decreased by 14.2%;
- Chemicals and chemical products, RM6.54 billion, 5% of total exports, decreased by 5.2%;
- Machinery, equipment and parts, RM5.71 billion, 4.4% of total exports, increased by 11.1%.

On a month-on-month (m-o-m) basis, exports of manufactured, mining and agriculture goods registered double-digit growth of 14.2%, 13% and 31.8%, respectively.

For Q1 of 2023, exports of manufactured goods rose by 2.6% to RM299.17 billion compared to the corresponding period last year. This was bolstered by higher exports of petroleum products, E&E products as well as optical and scientific equipment. Exports of mining goods grew by 22.2% to RM29.82 billion boosted by higher exports of LNG and crude petroleum. Exports of agriculture goods was valued at RM23.59 billion, decreased by 13.2% following lower exports of palm oil and palm oil-based agriculture products.

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Trade Performance with Major Markets

ASEAN – Trade Expanded in Q1 2023

In March 2023, trade with ASEAN represented 27.9% or RM64.84 billion of Malaysia's total trade, declined by 1.4% y-o-y. Exports amounted to RM37.98 billion, dropped by 3.4% on lower exports of E&E products. However, increases in exports were recorded for petroleum products, machinery, equipment and parts as well as transport equipment. Imports from ASEAN expanded by 1.6% to RM26.86 billion.

Breakdown of exports to ASEAN countries:

- Singapore RM20.74 billion, increased by 3.1%;
- Thailand RM5.58 billion, ↓3.7%;
- Indonesia RM4.88 billion, ↑17.9%;
- Viet Nam RM3.63 billion, ↓29.4%;
- Philippines RM2.20 billion, ↓18.3%;
- Myanmar RM477.1 million, ↑0.4%;
- Brunei RM242.1 million, ↓64.8%;
- Cambodia RM233.3 million, ↑19.1%; and
- Lao PDR RM6.4 million, ↓92.2%.

Exports to ASEAN major markets that recorded increases were Singapore which grew by RM615.3 million and Indonesia, expanded by RM738.9 million on account of robust exports of petroleum products. Compared to February 2023, trade, exports and imports expanded by 15.5%, 12.7% and 19.6%, respectively.

For the period of January to March 2023, trade with ASEAN rose by 4.2% to RM176.23 billion compared to the same period of 2022. Exports edged up by 6.3% to RM105.77 billion boosted by robust exports of petroleum products, E&E products and crude petroleum. Imports from ASEAN rose by 1.1% to RM70.46 billion.

China – Trade Moderated in March 2023

In March 2023, trade with China which made up 16.3% or RM37.84 billion of Malaysia's total trade contracted by 3% y-o-y. Exports to China was valued at RM16.68 billion, shrank by 6.2% as a result of lower exports of E&E products. Increase in exports however, was recorded for metalliferous ores and metal scrap, chemicals and chemical products as well as LNG. Imports from China slipped by 0.3% to RM21.16 billion. Compared to February 2023, trade, exports and imports rose by 11.9%, 16.2% and 8.7%, respectively. Trade with China during the period of January to March 2023 edged down by 2.4% to RM108.66 billion compared to the corresponding period of 2022. Exports fell by 8.1% to RM46.01 billion due to lower exports of iron and steel products as well as E&E products. Nevertheless, export expansion was registered for metalliferous ores and metal scrap, LNG as well as paper and pulp products. Imports from China was up by 2.2% to RM62.65 billion.

The US – E&E Products Supported Export Expansion

Trade with the United States (US) in March 2023 which accounted for 9.5% of Malaysia's total trade increased by 5.2% y-o-y to RM22.05 billion. Exports expanded by 7.5% to RM14.59 billion, driven by solid exports of E&E products. Imports from the US edged up by 1% to RM7.46 billion. On a m-o-m basis, trade, exports and imports grew by 16.8%, 18.3% and 14%, respectively. For the period of January to March 2023, trade with the US was up by 5.3% to RM59.64 billion compared to the same period of 2022. Exports expanded by 8% to RM38.96 billion led by robust exports of E&E products. Imports from the US rose by 0.5% to RM20.68 billion.

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The EU – Trade Growth Remained Robust

In March 2023, trade with the European Union (EU) took up 8.3% of Malaysia's total trade, expanding by 6.1% y-o-y to RM19.41 billion. Exports amounted to RM10.98 billion, declined by 5.3% on account of lower exports of E&E products, palm oil and palm oil-based agriculture products as well as rubber products. However, export expansion was recorded for manufactures of metal, petroleum products as well as optical and scientific equipment. Imports from the EU increased by 25.9% to RM8.43 billion. Breakdown of exports to the top 10 EU markets which accounted for 92.7% of Malaysia's total exports to the EU were:

- Netherlands RM3.20 billion, decreased by 13.6%;
- Germany RM2.94 billion, ↑2.8%;
- Belgium RM1.19 billion, ↑22.6%;
- Spain RM709.5 million, ↑77.6%;
- France RM681.4 million, ↑37.3%;
- Italy RM584.9 million, ↓48.2%;
- Poland RM280.3 million, ↓9.7%;
- Czech Republic RM233.4 million, ↓32.5%;
- Hungary RM201.9 million, ↓3.3%; and
- Sweden RM156.7 million, ↓25.1%.

Exports to the EU major markets that recorded growth were Germany, which increased by RM80.8 million due to higher exports of E&E products, Belgium (↑RM219.5 million, petroleum products) and Spain (↑RM309.9 million, palm oil-based manufactured products). Compared to February 2023, trade, exports and imports edged up by 23.7%, 22.7% and 25.2%, respectively.

For the first three months of 2023, trade with the EU climbed by 4.5% to RM52.05 billion compared to the corresponding period of 2022. Exports stood at RM29.28 billion, a decline of 2.3% compared to the same period last year due to lower exports of E&E products. The contraction however was cushioned by increase in exports of petroleum products. Imports from the EU rose by 14.7% to RM22.77 billion.

Japan – Export Expanded in Q1 2023

In March 2023, trade with Japan which contributed 6.4% or RM15.01 billion to Malaysia's total trade slipped by 6.8% y-o-y. Exports was valued at RM8.28 billion, fell by 6% owing to lower exports of manufactures of metal, wood products and palm oil-based manufactured products. Nevertheless, higher exports was recorded for LNG as well as palm oil and palm oil-based agriculture products. Imports from Japan dropped by 7.7% to RM6.73 billion.

On a m-o-m basis, trade, exports and imports climbed by 13.7%, 15% and 12.1%, respectively. For the period of January to March 2023, trade with Japan was up by 1.3% to RM42.3 billion compared to the same period of 2022. Exports grew by 4.3% to RM23.66 billion buoyed by strong exports of LNG. Imports from Japan shrank by 2.2% to RM18.63 billion.

Trade with FTA Partners

In March 2023, trade with Free Trade Agreement (FTA) partners which contributed 67.5% or RM157.18 billion to Malaysia's total trade edged down marginally by 0.9% y-o-y. Exports to FTA partners declined by 1.5% to RM89.48 billion and imports shrank by 0.1% to RM67.7 billion.

Increases in exports were recorded to Australia, which grew by 37.2% to RM4.82 billion and New Zealand (↑61.8% to RM655.6 million) boosted by robust exports of petroleum products. Exports to Mexico rose by 42.2% to RM2.02 billion and India (↑0.9% to RM4.54 billion) backed by strong exports of E&E products. Meanwhile, exports to Hong Kong SAR expanded by 9.5% to RM7.83 billion following higher exports of iron and steel products and exports to Peru increased by

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27.7% to RM67 million on higher exports of palm oil-based manufactured products. Compared to February 2023, trade, exports and imports expanded by 13.6%, 14.8% and 11.9%, respectively.

Trade with FTA partners during the first three months of 2023 edged up by 2.7% to RM437.02 billion compared to the corresponding period of 2022. Exports increased by 3.7% to RM247.41 billion and imports climbed by 1.5% to RM189.61 billion.

Import Performance

Total imports in March 2023 contracted by 1.8% y-o-y to RM103.01 billion. The three main categories of imports by end use, which accounted for 70.7% of total imports were:

- Intermediate goods, valued at RM53.81 billion or 52.2% of total imports, decreased by 8.7% y-o-y, following lower imports of primary fuel and lubricants;
- Capital goods, valued at RM9.77 billion or 9.5% of total imports, increased by 3.5%, due to higher imports of industrial transport equipment; and
- Consumption goods, valued at RM9.26 billion or 9% of total imports, grew by 6.2%, as a result of higher imports of semi-durables.

During the period of January to March 2023, imports grew by 3.7% to RM290.24 billion from the same period of 2022. Imports of intermediate goods contracted by 3.7% to RM151.04 billion compared to the same period last year, capital goods (↑0.3% to RM27.3 billion) and consumption goods (↑0.8% to RM24.55 billion).

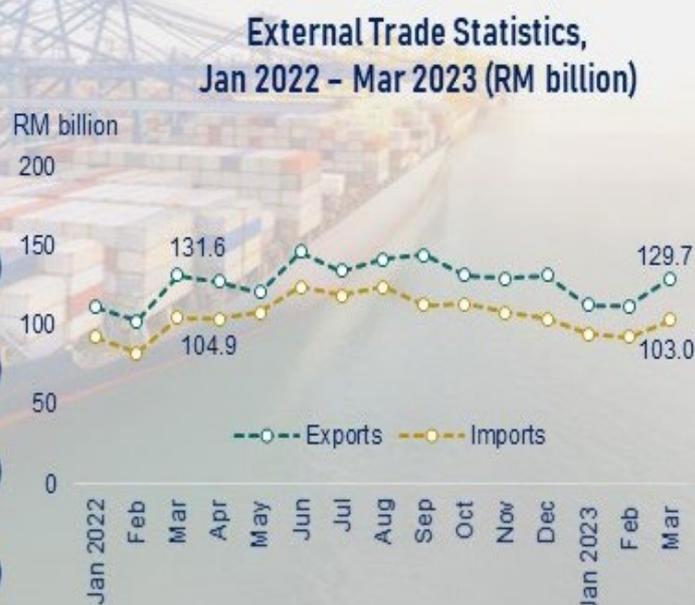
MINISTRY OF INVESTMENT, TRADE AND INDUSTRY
19 APRIL 2023

EXTERNAL TRADE, MARCH 2023

MALAYSIA EXTERNAL TRADE STATISTICS

MARCH 2023

 EXPORTS RM129.7 bil. ↓ 1.4%	 IMPORTS RM103.0 bil. ↓ 1.8%
TOTAL TRADE RM232.7 bil. ↓ 1.6%	TRADE BALANCE RM26.7 bil. ↑ 0.2%



SECTORIAL PERFORMANCE OF EXPORTS & IMPORTS



IMPORTS FOR BEC & END USE



TOP 3 TRADING PARTNERS



TRADING WITH ASEAN



Note:

- ↑ ↓ All changes are based on year-on-year (y-o-y) comparison
- The March 2023 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

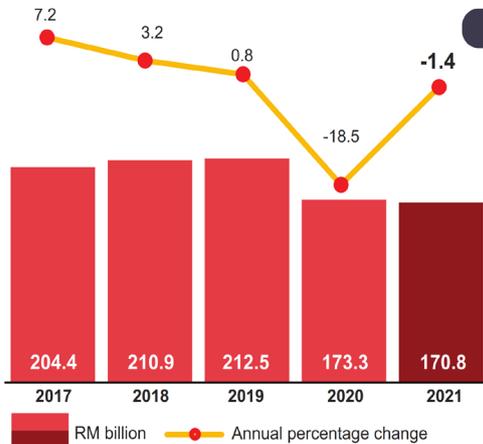
Source : Monthly External Trade Statistics, March 2023,
Department of Statistics Malaysia (DOSM)

CONSTRUCTION

ANNUAL ECONOMIC STATISTIC 2022

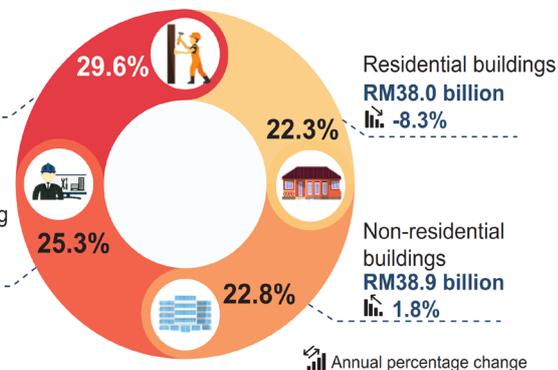
CONSTRUCTION

The gross output for Construction sector decreased by 1.4 per cent in 2021 to register RM170.8 billion
A total of 1.19 million persons were engaged in this sector with salaries and wages paid amounting to RM33.4 billion

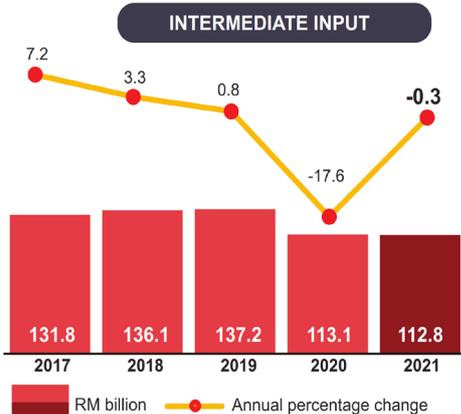


Special trade activities
RM50.6 billion
↓ -26.6%

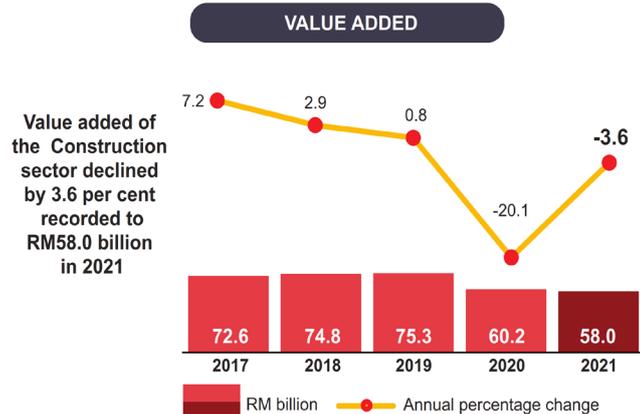
Civil engineering
RM43.2 billion
↓ -19.4%



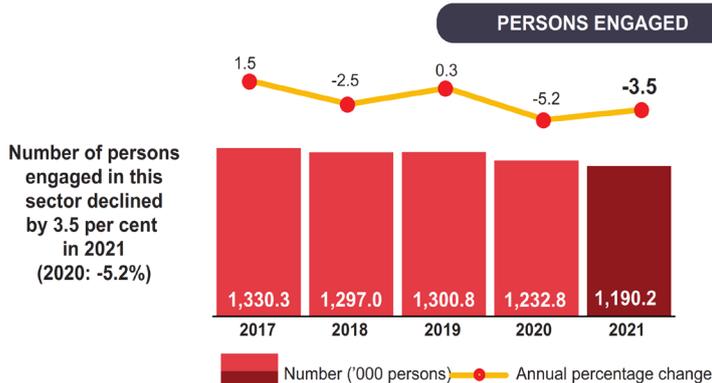
Annual percentage change



Intermediate input decreased by 0.3 per cent in 2021 to RM112.8 billion



Value added of the Construction sector declined by 3.6 per cent recorded to RM58.0 billion in 2021



Number of persons engaged in this sector declined by 3.5 per cent in 2021 (2020: -5.2%)

↓ -2.7%
279,976 persons
Residential buildings

↓ -3.7%
273,843 persons
Non-residential buildings

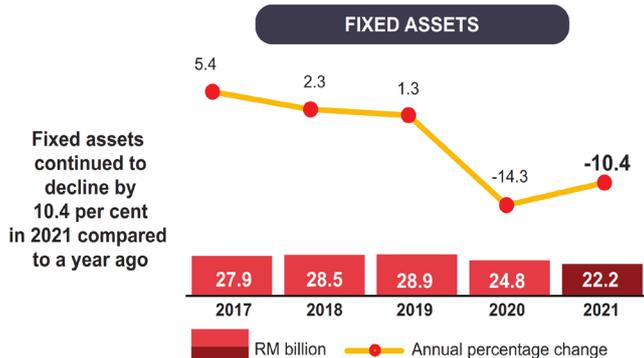
↓ -2.9%
344,548 persons
Civil engineering

↓ -4.6%
291,792 persons
Special trade activities

Annual percentage change



Salaries & wages paid in Construction sector decreased by 10.01 per cent in 2021 in line with a reduction in the number of employees



Fixed assets continued to decline by 10.4 per cent in 2021 compared to a year ago

Source: Annual Economic Statistics 2022, Construction Department of Statistics Malaysia, (DOSM)

CONSTRUCTION

ANNUAL ECONOMIC STATISTICS 2022

CONSTRUCTION

Johor



Gross Output	: RM17.1b
Intermediate Input	: RM11.4b
Value Added	: RM5.6b
Persons Engaged	: 151,194
Salaries & Wages Paid	: RM3.8b
Fixed Assets	: RM3.5b

Kedah



Gross Output	: RM3.5b
Intermediate Input	: RM2.3b
Value Added	: RM1.2b
Persons Engaged	: 27,577
Salaries & Wages Paid	: RM0.7b
Fixed Assets	: RM0.8b

Kelantan



Gross Output	: RM2.6b
Intermediate Input	: RM1.6b
Value Added	: RM1.0b
Persons Engaged	: 15,346
Salaries & Wages Paid	: RM0.4b
Fixed Assets	: RM0.2b

Melaka



Gross Output	: RM2.0b
Intermediate Input	: RM1.3b
Value Added	: RM0.7b
Persons Engaged	: 19,616
Salaries & Wages Paid	: RM0.5b
Fixed Assets	: RM0.6b

Negeri Sembilan



Gross Output	: RM5.2b
Intermediate Input	: RM3.5b
Value Added	: RM1.7b
Persons Engaged	: 48,376
Salaries & Wages Paid	: RM1.2b
Fixed Assets	: RM0.4b

Pahang



Gross Output	: RM6.2b
Intermediate Input	: RM3.9b
Value Added	: RM2.3b
Persons Engaged	: 45,704
Salaries & Wages Paid	: RM1.2b
Fixed Assets	: RM0.5b

Pulau Pinang



Gross Output	: RM11.3b
Intermediate Input	: RM7.4b
Value Added	: RM3.8b
Persons Engaged	: 73,134
Salaries & Wages Paid	: RM1.9b
Fixed Assets	: RM0.6b

Perak



Gross Output	: RM6.9b
Intermediate Input	: RM4.3b
Value Added	: RM2.6b
Persons Engaged	: 63,227
Salaries & Wages Paid	: RM1.7b
Fixed Assets	: RM0.8b

Perlis



Gross Output	: RM0.3b
Intermediate Input	: RM0.2b
Value Added	: RM0.1b
Persons Engaged	: 4,843
Salaries & Wages Paid	: RM0.1b
Fixed Assets	: RM0.01b

Selangor



Gross Output	: RM55.7b
Intermediate Input	: RM37.2b
Value Added	: RM18.5b
Persons Engaged	: 304,529
Salaries & Wages Paid	: RM9.6b
Fixed Assets	: RM6.4b

Terengganu



Gross Output	: RM4.8b
Intermediate Input	: RM3.0b
Value Added	: RM1.8b
Persons Engaged	: 32,264
Salaries & Wages Paid	: RM1.0b
Fixed Assets	: RM0.3b

Sabah



Gross Output	: RM9.3b
Intermediate Input	: RM6.2b
Value Added	: RM3.2b
Persons Engaged	: 64,399
Salaries & Wages Paid	: RM1.6b
Fixed Assets	: RM1.4b

Sarawak



Gross Output	: RM14.5b
Intermediate Input	: RM9.0b
Value Added	: RM5.5b
Persons Engaged	: 90,912
Salaries & Wages Paid	: RM2.5b
Fixed Assets	: RM2.8b

W.P. Kuala Lumpur



Gross Output	: RM29.4b
Intermediate Input	: RM19.9b
Value Added	: RM9.5b
Persons Engaged	: 232,957
Salaries & Wages Paid	: RM6.6b
Fixed Assets	: RM3.7b

W.P. Labuan



Gross Output	: RM0.4b
Intermediate Input	: RM0.3b
Value Added	: RM0.1b
Persons Engaged	: 2,574
Salaries & Wages Paid	: RM0.1b
Fixed Assets	: RM0.01b

W.P. Putrajaya



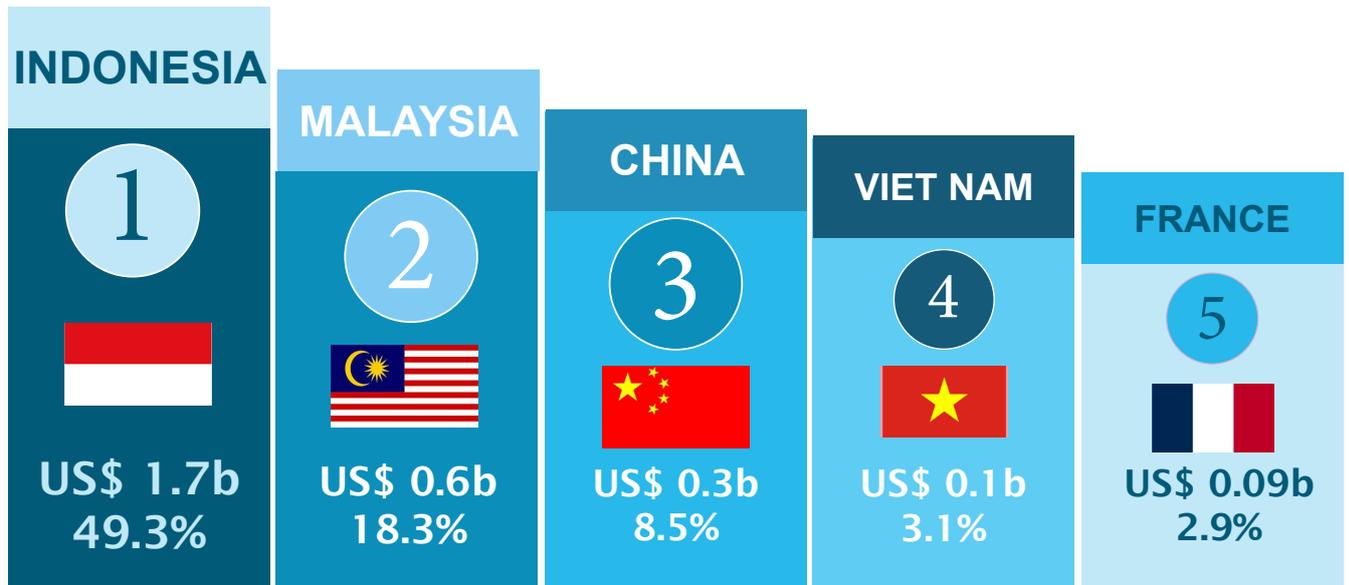
Gross Output	: RM1.5b
Intermediate Input	: RM1.0b
Value Added	: RM0.5b
Persons Engaged	: 13,507
Salaries & Wages Paid	: RM0.4b
Fixed Assets	: RM0.1b

b : billion

Source: Annual Economic Statistics 2022, Construction
Department of Statistics Malaysia, (DOSM)

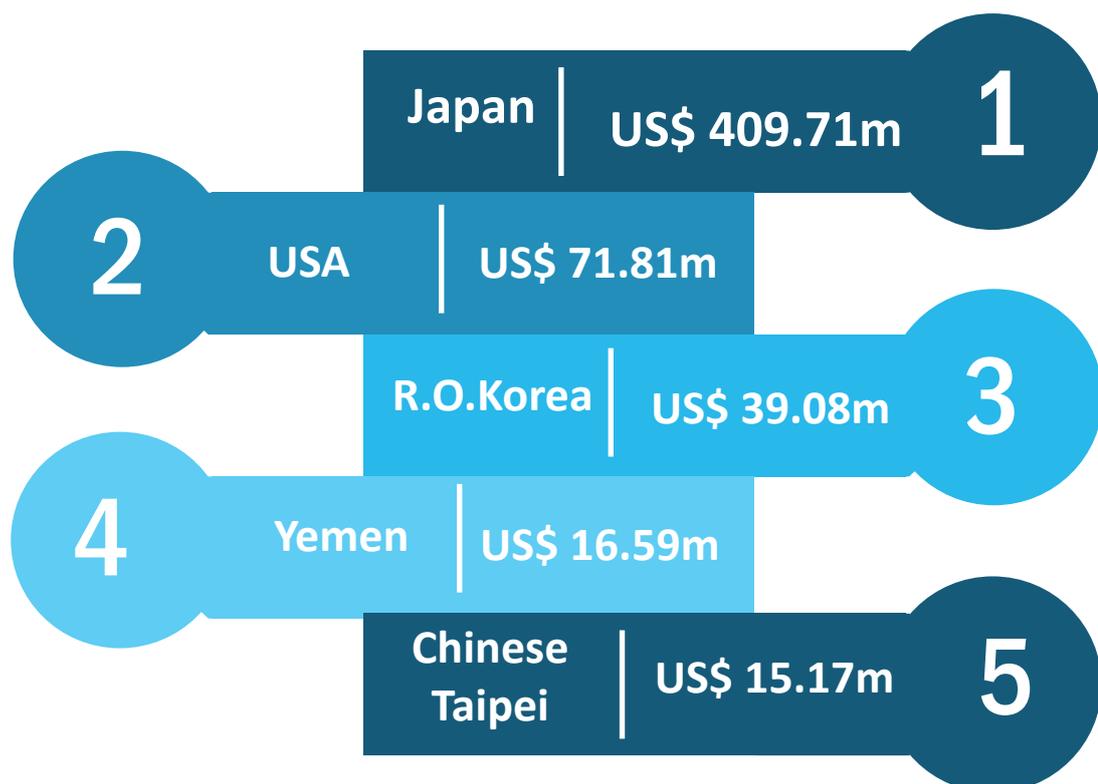
MALAYSIA'S AS SECOND LARGEST EXPORTERS IN THE WORLD OF PLYWOOD

In 2021, Malaysia's export of plywood consisting solely of sheets of wood <= 6 mm thick, with at least one outer ply of tropical wood, excluding sheets of compressed wood, cellular wood panels, inlaid wood and sheets identifiable as furniture components recorded US\$ 0.6 billion which was 18.3% share of the world exports.



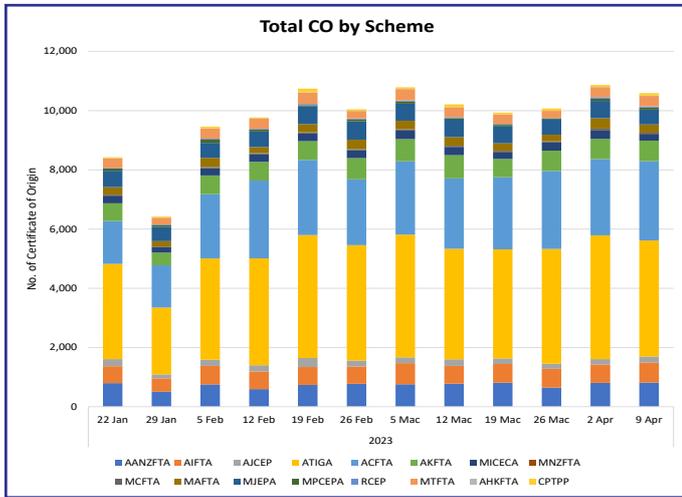
Notes:
 -*HS441231
 -% refer to share in world exports

MALAYSIA'S TOP EXPORT DESTINATIONS

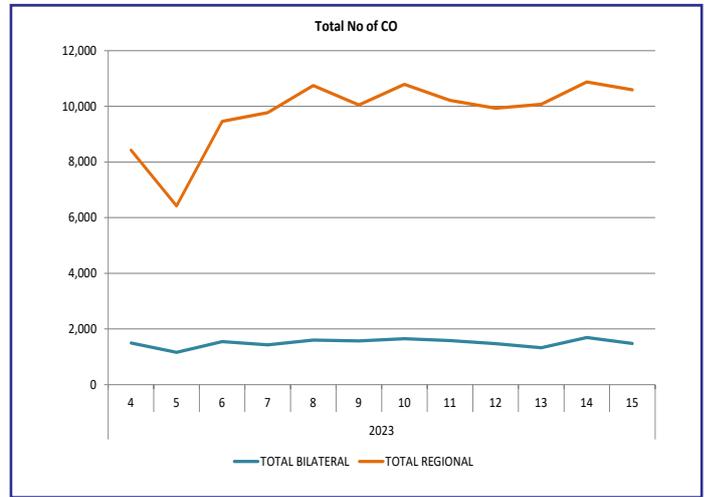


Number of PCO as at 9 April 2023 Weekly / Monthly/ Annually

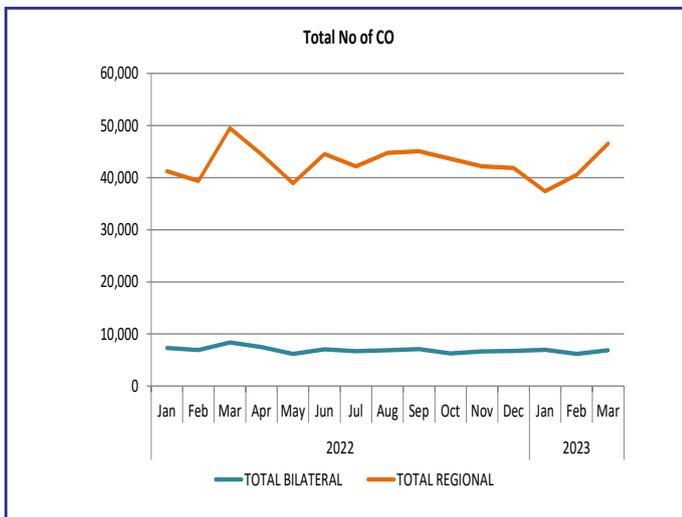
Weekly Total Scheme



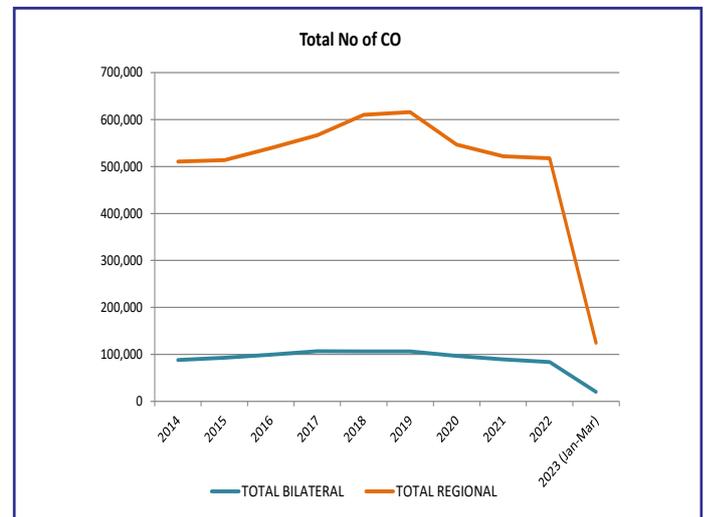
Weekly



Monthly



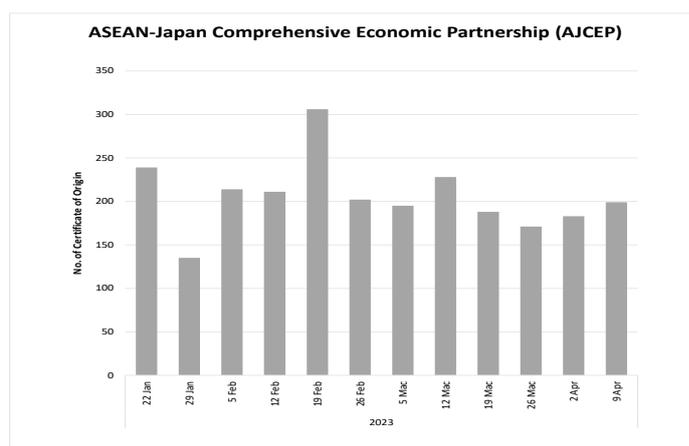
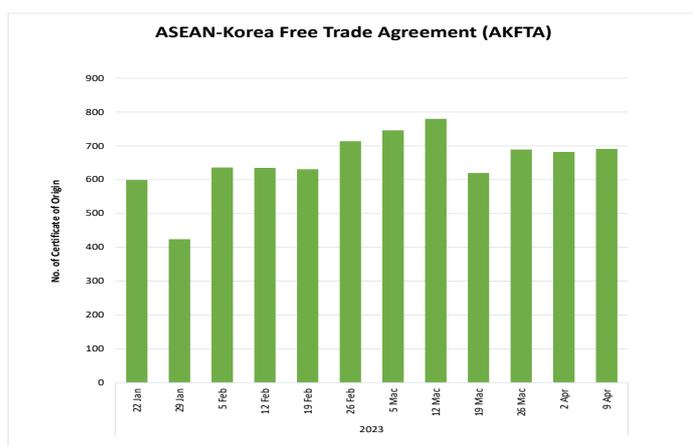
Annually



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

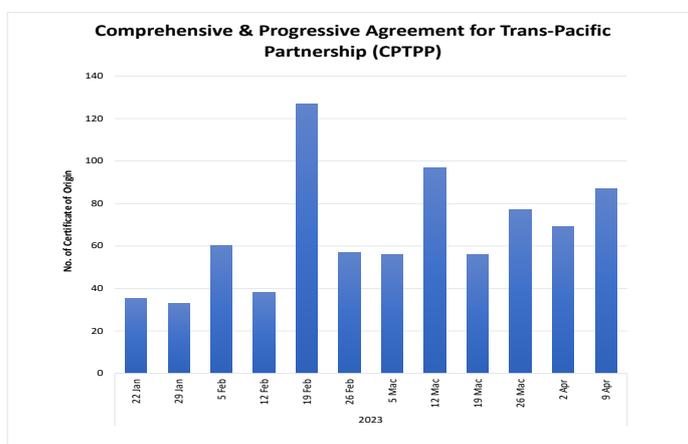
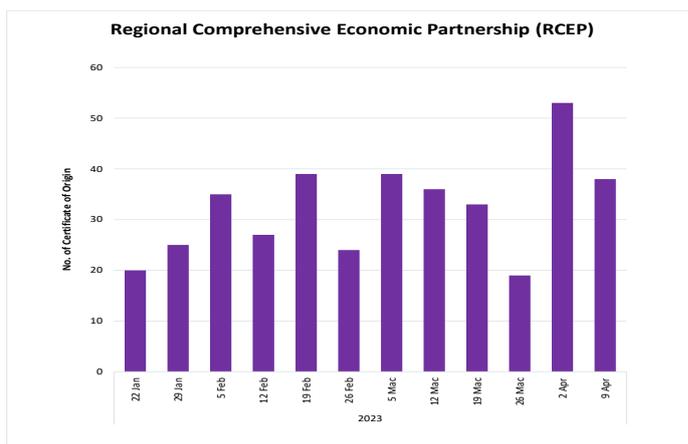
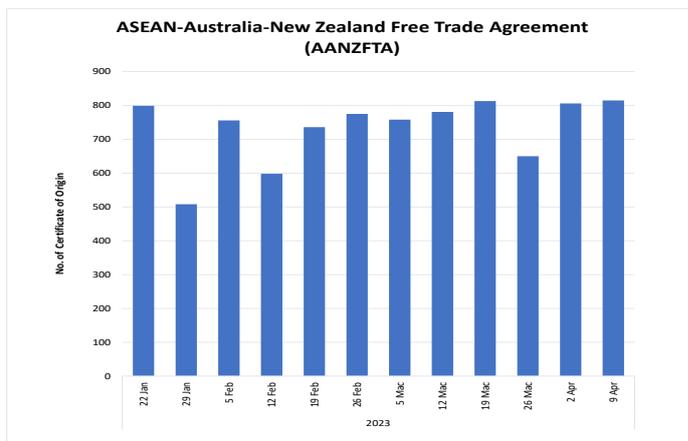
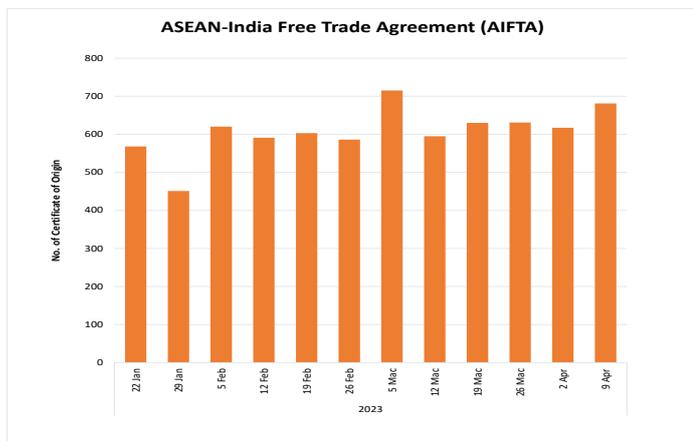
Regional FTA

Number of Preferential Certificates of Origin (PCOs) as at 9 April 2023



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

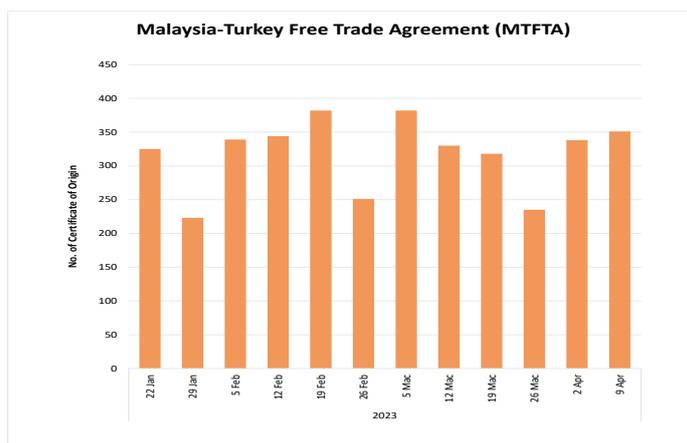
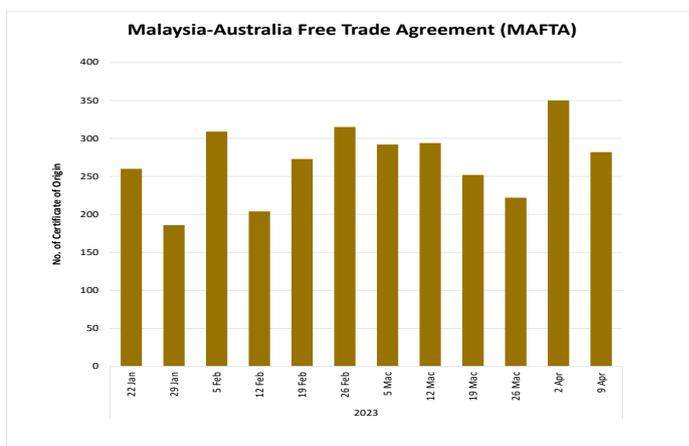
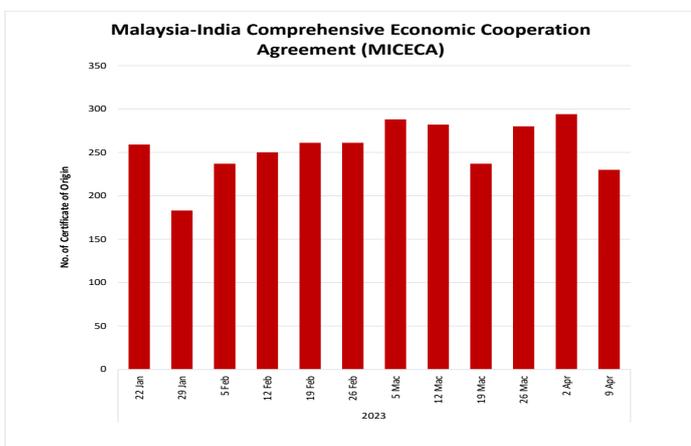
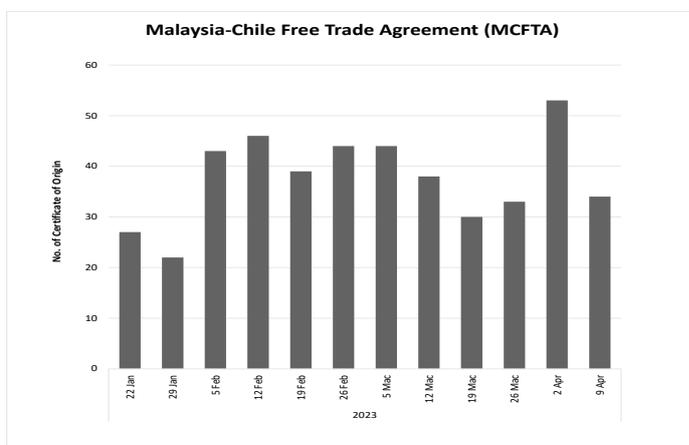
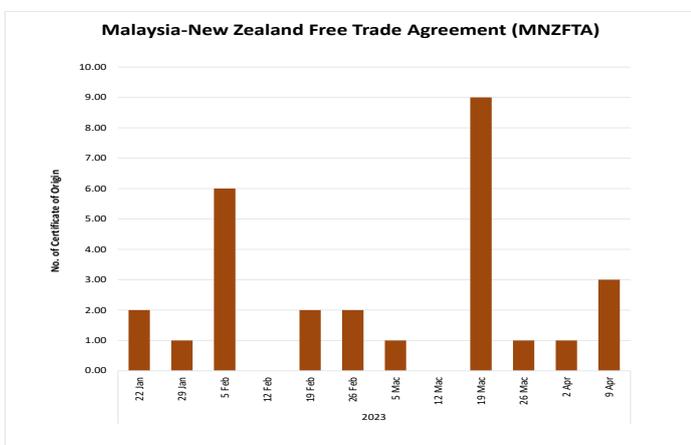
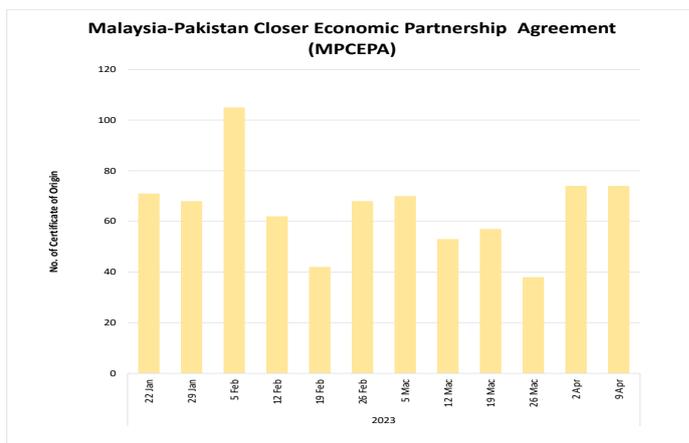
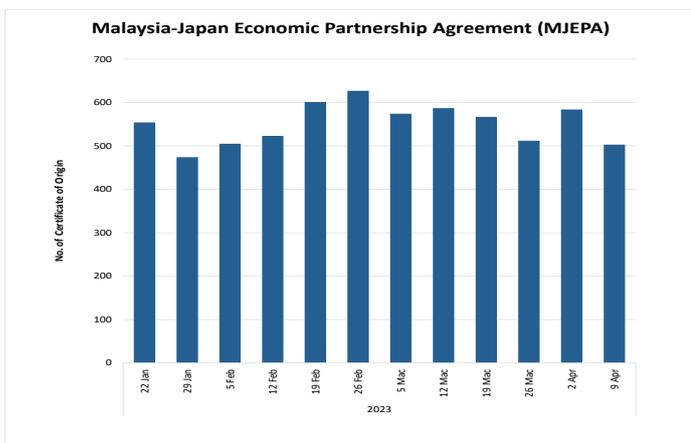
Regional FTA Number of Preferential Certificates of Origin (PCOs) as at 9 April 2023



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

Bilateral FTA

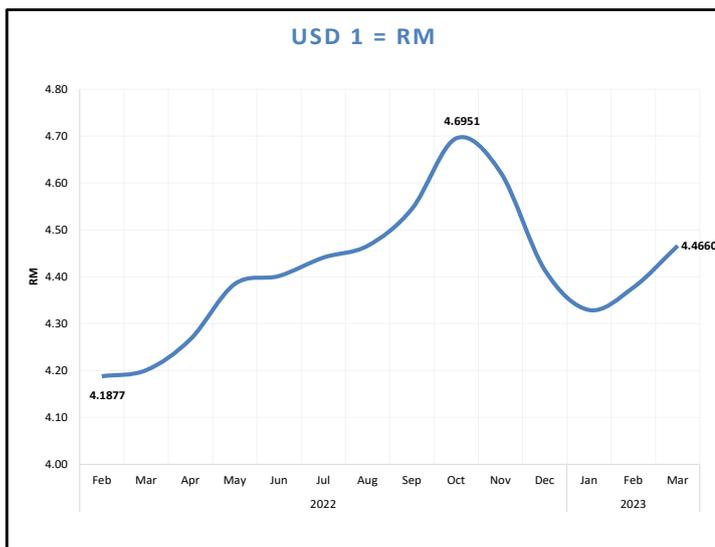
Number of Preferential Certificates of Origin (PCOs) as at 9 April 2023



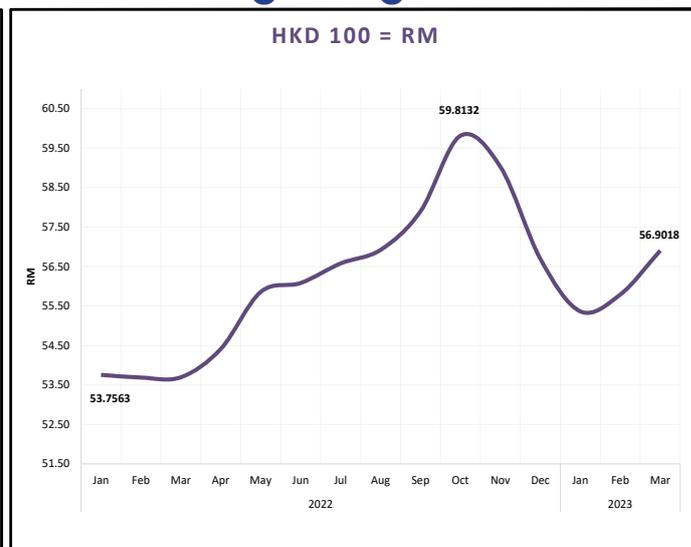
Note: *Provisional Data
Source: Ministry of Investment, Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2022 - March 2023

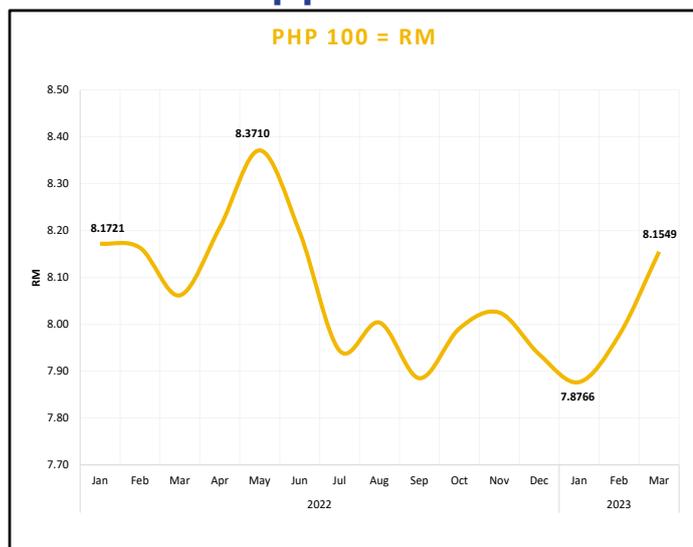
US Dollar



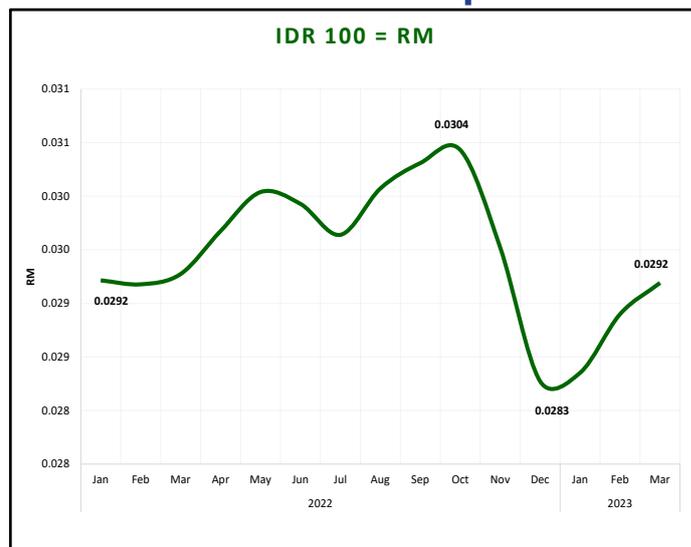
Hong Kong Dollar



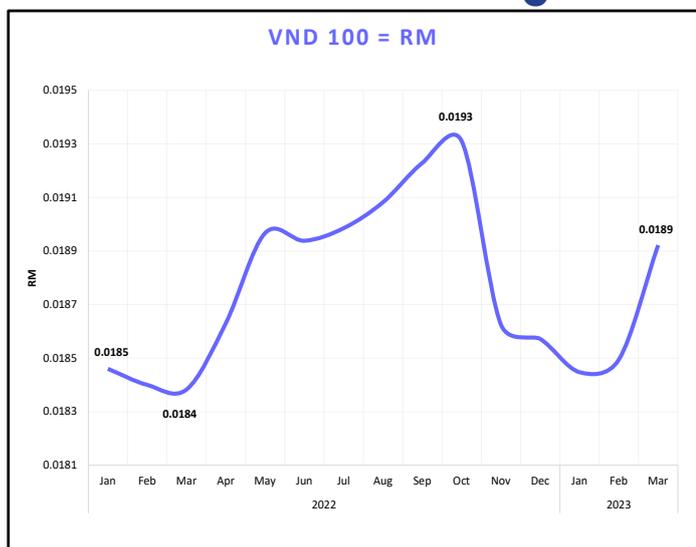
Philippine Peso



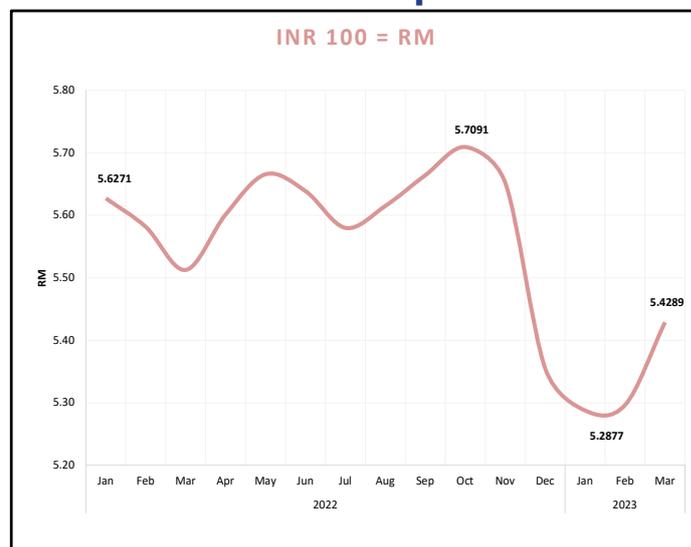
Indonesian Rupiah



Vietnamese Dong



Indian Rupee



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▲ **1.4%***
US\$86.3
14 Apr 2023

Highest
2022/2023
20 Jan 2023 : US\$87.6
10 June 2022 : US\$122.0
17 March 2023 : US\$73.0
9 Dec 2022 : US\$76.1
Lowest
2022/2023

Average Price 2022ⁱ: US\$99.4

CRUDE PALM OIL -per MT-



▼ **1.5%***
US\$942.3
14 Apr 2023

Highest
2022/2023
3 Mar 2023 : US\$964.5
11 Mar 2022 : US\$1,774.7
3 Feb 2023 : US\$877.4
30 Sep 2022 : US\$715.6
Lowest
2022/2023

Average Price 2022ⁱ: US\$1,171.6

RUBBER SMR 20 -per MT-



▲ **0.9%***
US\$1,356.5
14 Apr 2023

Average Price 2022ⁱ: US\$1,549.9

COCOA SMC 2 -per MT-



▲ **1.6%***
US\$1,891.3
14 Apr 2023

Average Price 2022ⁱ: US\$1,564.5

SUGAR -per lbs-

▲ **0.9%***
US\$23.4
14 Apr 2023



Average Price 2022ⁱ: US\$18.8

COAL -per MT-



▲ **0.6%***
US\$135.9
14 Apr 2023

Average Price 2022ⁱ: US\$290.8

SCRAP IRON HMS -per MT-

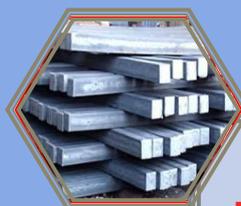


▲ **1.0%*** : ▲ **4.3%***
US\$415.4 : US\$385.6
(high) : (low)
February 2023

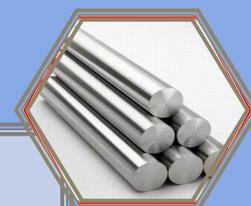
Average Price 2022ⁱ: US\$469.9 (high)
Average Price 2022ⁱ: US\$426.3 (low)

Domestic Prices

February 2023



Billets
(per MT)
RM2,625 - RM2,713

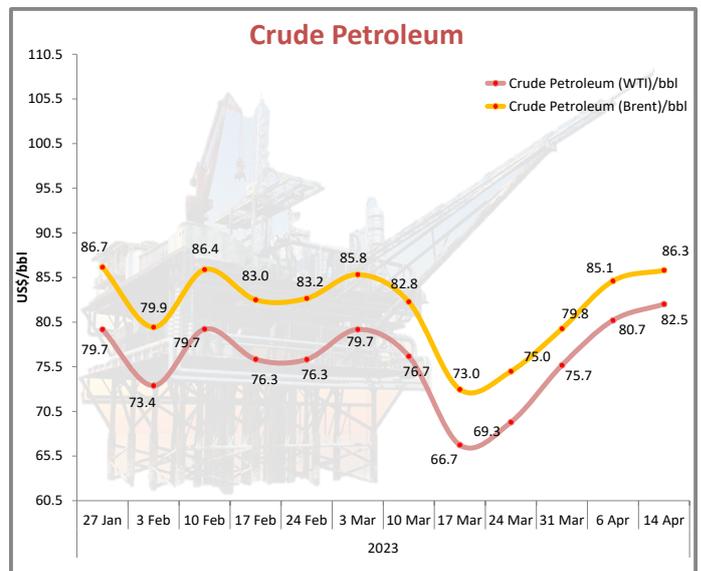
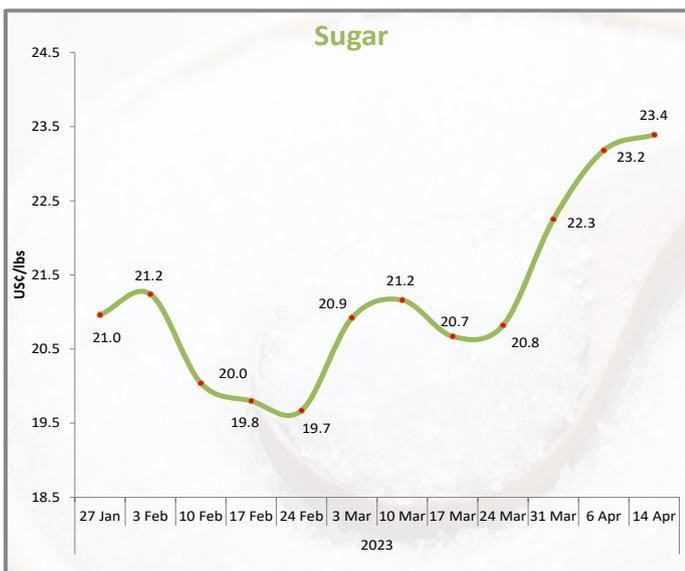
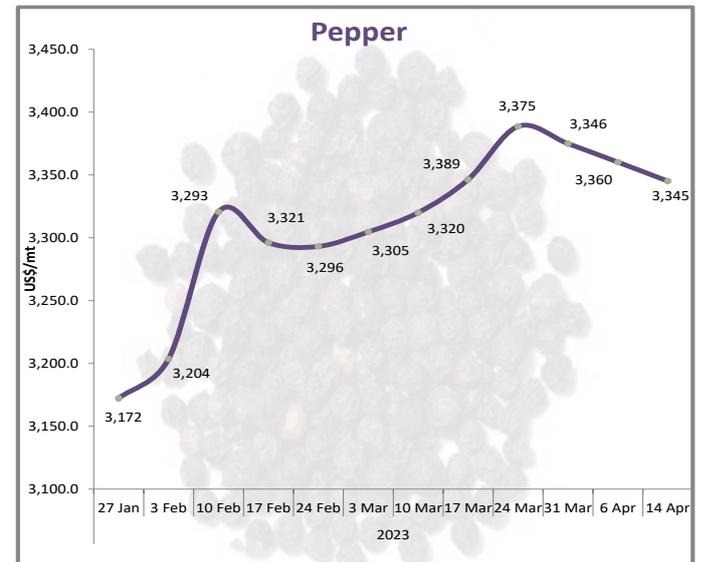
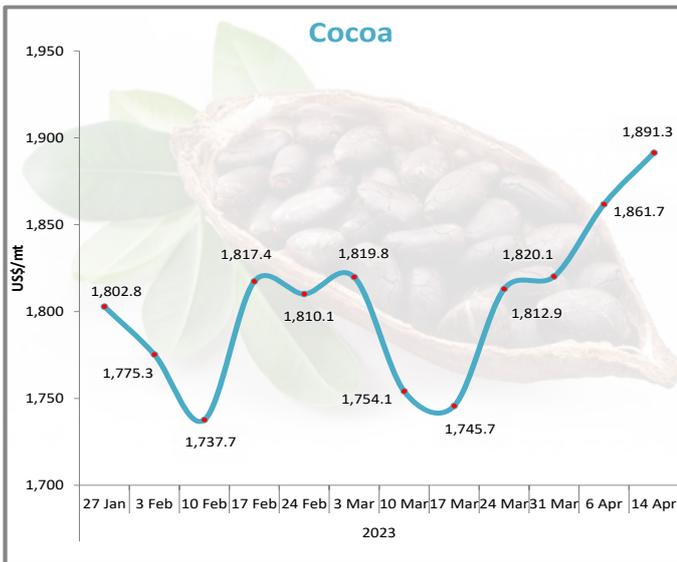
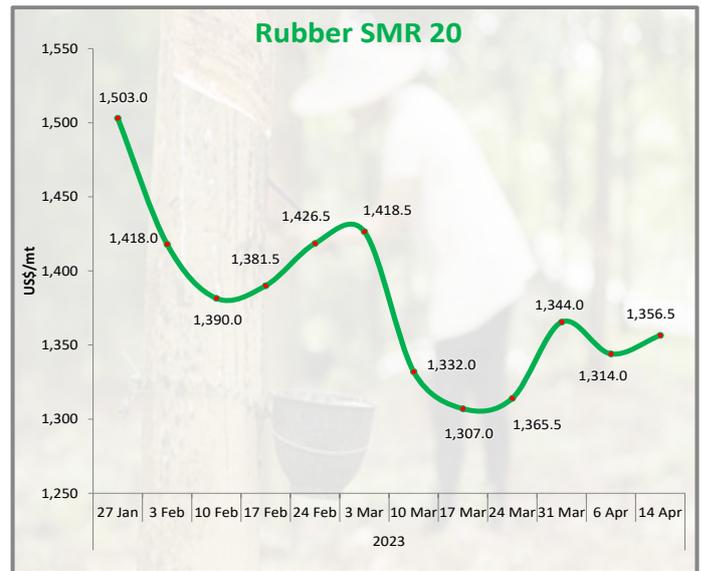
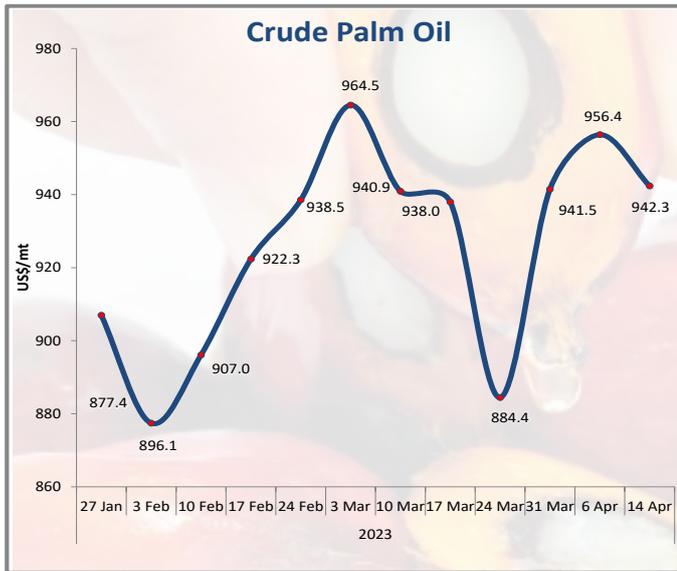


Steel Bars
(per MT)
RM2,822 - RM2,905

Notes: All figures have been rounded to the nearest decimal point
* Refer to % change from the previous week's price
i Average price in the year except otherwise indicated

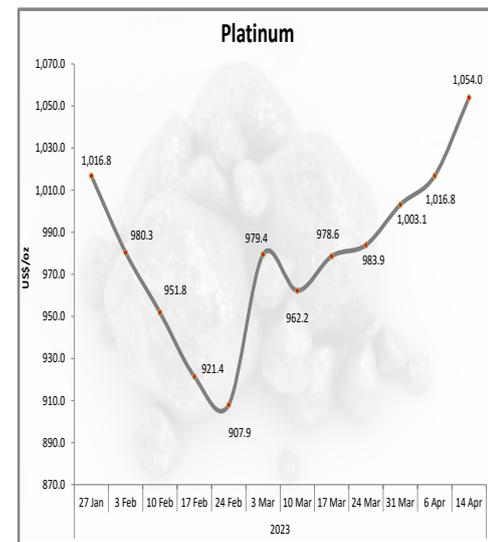
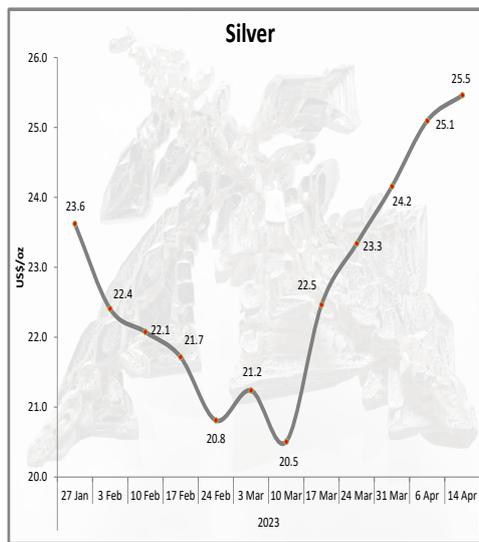
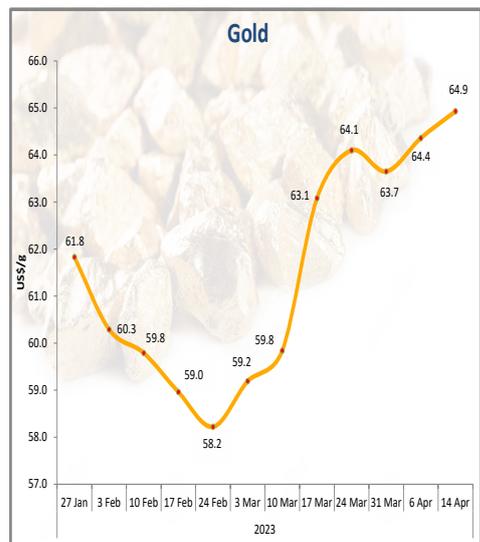
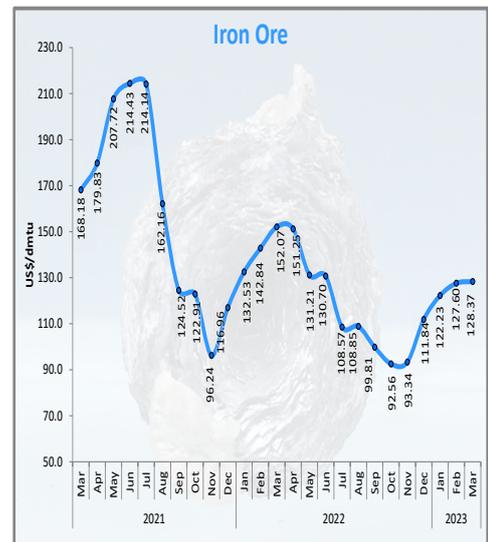
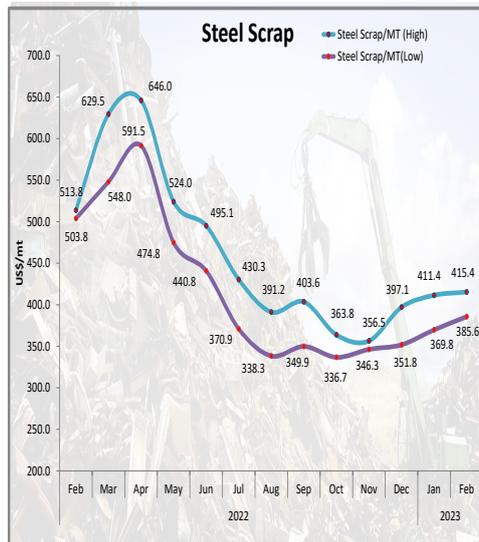
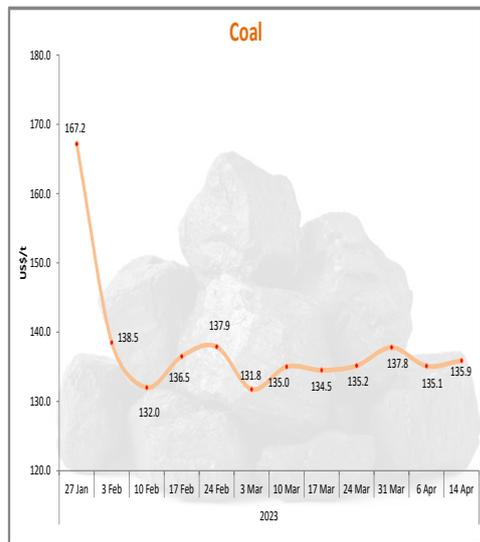
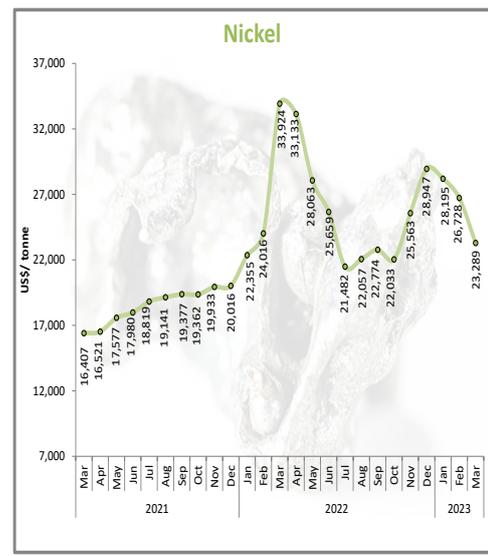
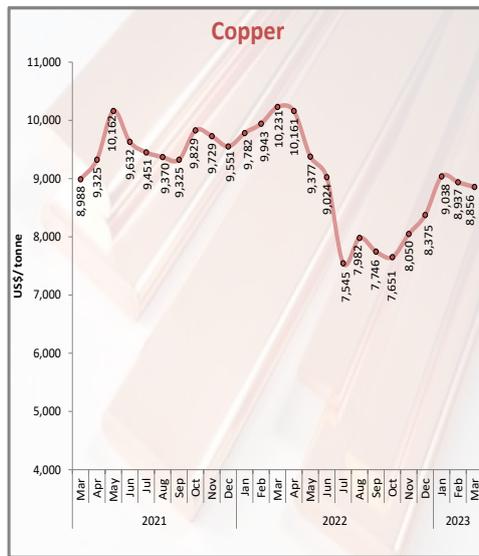
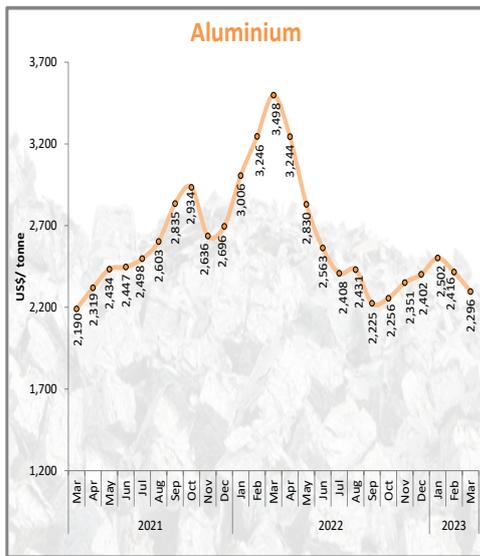
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

Commodity Price Trends



Sources: Ministry of Investment, 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 Investment, 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

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



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
- ✓ Valid registration and business licences
- ✓ Company has at least 60% local equity
- ✓ In operation for more than 3 years

What are the benefits?



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

- Government-funded assessment for eligible SMEs.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrд@mpc.gov.my



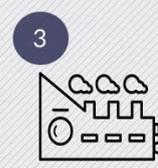
Readiness Assessment



Apply online at www.miti.gov.my/industry4wrд



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>

Salam Aidilfitri 2023 / 1444 H
Maaf Zahir Batin

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