



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

MEDIA STATEMENT

MALAYSIA-INDONESIA'S 2022 TRADE LIKELY TO EXCEED 30% Y-O-Y GROWTH

The Ministry of International Trade & Industry is pleased to share that total trade between Malaysia and Indonesia for 2022 is likely to exceed 30% compared to 2021, as both countries fully reopened their borders in 2022, facilitating better bilateral flow of goods and services. In conjunction with the YAB Malaysian Prime Minister's official visit to Indonesia on 8 – 9 January 2023, MITI and its related agencies have expressed their commitment to continue facilitating the expansion of trade and cross-border investments with Indonesia.

Within ASEAN, Indonesia is Malaysia's second largest partner in trade, and third largest source of Foreign Direct Investment (FDI). Total trade between Malaysia and Indonesia was roughly USD23 billion in 2021, a 45.5% year-on-year increase compared 2020. For the period Jan – Nov 2022, bilateral trade between both countries had already exceeded USD27 billion, approximately 33% more than the corresponding period in 2021.

In terms of investments, MITI looks forward to facilitating more mutual cross-border investments between Malaysia and Indonesia, where collaboration lies in areas such as pharmaceuticals, aerospace, palm-oil processing, consumer goods, as well as defence and security.

These were reflected in the exchanging of nine (9) Memorandum of Understanding (MOUs) between Malaysian and Indonesian companies, with a total potential investment value of more than RM1.6 billion.

MITI has also spearheaded bilateral talks on Malaysia's possible investments and co-investments in Indonesia's planned new capital in East Kalimantan. On this, YAB Prime Minister today also witnessed the handing over of eleven (11) Letters of Intent by ten (10) Malaysian companies, who have expressed interest to contribute to the development of Indonesia's planned new capital. These companies have built their expertise and credentials in areas such as E&E, automotive, manufacturing of industrial goods, waste management, smart city technology, housing, healthcare, M&E engineering, utilities, and renewable energy.

These areas of possible mutual collaboration and benefit were discussed when MITI met with Indonesia's Minister of State-Owned Enterprises, and the Minister of Maritime and Investment Affairs. In the coming days, MITI also looks forward to meeting Indonesia's Minister of Industry, Minister of Public Works and Housing and Minister of Trade.

YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL AZIZ
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY
8 JANUARY 2023

About MITI:

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation.

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