

MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

“UNLOCKING ASEAN eCOMMERCE POTENTIALS”

51st ASEAN DAY

8 August 2018 | Dewan Perdana, Menara MITI

ASEAN At A Glance

Since Bangkok Declaration on 8 August 1967, ASEAN has grown to become the 6th largest economy in the world



642.4 Mn

Population (as of 2017)
Behind only China & India



US\$2.55 Tn

Total Trade in 2017



US\$137 Bn

Attracted FDIs in 2017



ASEAN Economic Performance

At **US\$2.77 trillion**, ASEAN economy in 2017 was

the **6th** largest in the world & the **3rd** largest in Asia.



Source: ASEAN Secretariat

Potential to become the **4th** largest economy in the world
after China, the US & the EU

AEC 2nd Phase - Cohesive Economy



**Transformation
to become a
more cohesive
economy**



**E-Commerce:
AEC 2025 New Focus Areas**

DIGITAL ECONOMY

IN ASEAN

By **2020**, internet user base to grow from 260 mil to **480 mil** users

Southeast Asia's digital market will be worth **USD200 bil** by 2025 (USD31 bil in 2015)

Directly linked with development of **MSMEs**

(account for more than 96% of all enterprises and up to 97% of employment)

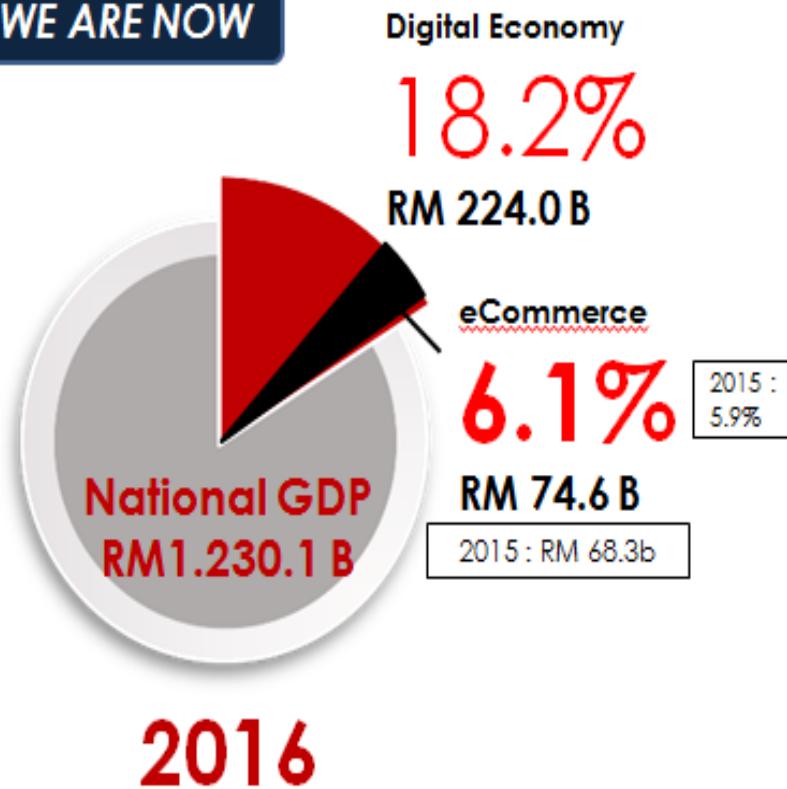
Between 2009-2014, proportion of **ASEAN population using internet** doubled from **12.6%** to **25.8%**

MALAYSIA

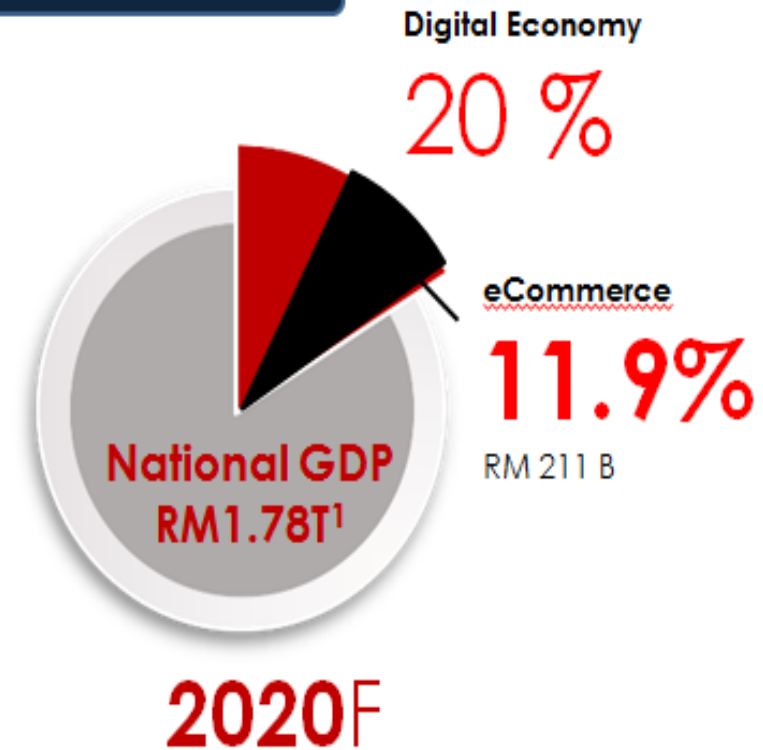
Digital economy accounted for 18.2% of the country's GDP in 2016

eCommerce contribution increases to 6.1% in 2016

WHERE WE ARE NOW



WHERE WE WANT TO BE



Source: Department of Statistics, 19th Oct 2017

The **digital economy**, in particular eCommerce, presents **unprecedented opportunities** for **Malaysian businesses** to achieve scale & serve customers globally

ASEAN-6 digital population 2018

Indonesia

Population	265.4 M
Internet users	132.7 M
Social media users	130.0 M
Mobile users	177.9 M
Mobile social users	120.0 M

Thailand

Population	69.11 M
Internet users	57.00 M
Social media users	51.00 M
Mobile users	55.56 M
Mobile social users	46.00 M

Malaysia

Population	31.83 M
Internet users	25.08 M
Social media users	24.00 M
Mobile users	21.62 M
Mobile social users	22.00 M

Singapore

Population	5.75 M
Internet users	4.83 M
Social media users	4.80 M
Mobile users	4.71 M
Mobile social users	4.30 M

Philippines

Population	105.7 M
Internet users	67.0 M
Social media users	67.0 M
Mobile users	61.0 M
Mobile social users	62.0 M

Vietnam

Population	96.02 M
Internet users	64.00 M
Social media users	55.00 M
Mobile users	70.03 M
Mobile social users	50.00 M

Source: WeAre Social, Hootsuite Jan 2018

**MALAYSIA :
PENETRATING
GLOBAL
MARKETS**

**FASHION
VALET**

MPAY
Simple - Trusted - Complete

عفة[™]
hijab

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Photobook
Malaysia



LWE
LOGISTICS
WORLDWIDE EXPRESS

The logo for 'LWE LOGISTICS' features the letters 'LWE' in a large, bold, green font. Below it, the words 'LOGISTICS' and 'WORLDWIDE EXPRESS' are written in a smaller, green, sans-serif font. To the right of the text is a green 3D cube with a white outline, and an orange arrow pointing to the right, passing through the center of the cube. A grey circular line orbits the cube.

avana[™]

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NATIONAL eCOMMERCE AGENDA

*Role of the National
eCommerce Council
(NeCC) to oversee
implementation of the
National eCommerce
Strategic Roadmap
(NeSR)*



By 2020

Double eCommerce growth **>20.8%**
eCommerce GDP contribution **>RM211 bil**

1. Accelerate **eCommerce Adoption**
2. Adoption of **eProcurement** by businesses
3. Lift **NTBs**
4. Realignment of **Incentives**
5. Strategic **Investments** in Key Sub-Sectors
6. **National Brand** (**Cross-Border** eCommerce)

13 Programmes driven by **10 Agencies**

Talent
Development



Go eCommerce
www.GoeCommerce.my

#MYCYBERSALE

e-Fulfilment Hub

E-PROCUREMENT



One of the initiatives under the National eCommerce Strategic Roadmap (NeSR)

OBJECTIVES

- ❖ Establish Malaysia as regional eCommerce eFulfilment hub
- ❖ Drive export of Malaysian SMEs via eCommerce

GOING FORWARD

Expansion (air mode & sea mode)

Monitor export performance of SMEs

Get more SMEs to export through DFTZ

Other industry players to participate in the DFTZ



DFTZ eSERVICES PLATFORM

To deliver expedited and seamless cross border eCommerce fulfilment

▶ Receive declaration information and validate based on agreed business rules

▶ Facilitate payment collection on behalf of Customs for duty and taxes

PROCESS IMPROVEMENT

To accelerate end-to-end turnaround time for cargo clearance

▶ Real time cargo tracking

▶ Efficient enforcement through data analytics and machine learning



ASEAN AGREEMENT ON eCOMMERCE *(being finalised)*

Objectives

Facilitate cross-border eCommerce transactions in the region

Contribute to creating an environment of trust and confidence in the use of eCommerce in the region

Deepen cooperation towards further developing and intensifying the use of eCommerce to drive inclusive growth and narrow development gaps in the ASEAN region

**“The opportunities
that everyone cannot
see are the real
opportunities.”**

**- Jack Ma, Founder
Alibaba**



Thank you