



MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY

MEDIA RELEASE

**FOR THE BILATERAL MEETING BETWEEN YB MINISTER MITI WITH
H.E. AMBASSADOR KATHERINE TAI, THE UNITED STATES TRADE
REPRESENTATIVE (USTR)**

UNITED STATES TRADE REPRESENTATIVE (USTR) AND MITI MINISTER REAFFIRM COMMITMENT TO STRENGTHEN MALAYSIA-US BILATERAL ECONOMIC TIES

Malaysia and the United States today reaffirmed commitment to intensify collaboration to strengthen bilateral economic ties, as well as at the multilateral and regional level. This commitment was made during the meeting between YB Tengku Datuk Seri Utama Zafrul Tengku Abdul Aziz, Minister of International Trade and Industry and his U.S. counterpart, Her Excellency Ambassador Katherine Tai, United States Trade Representative (USTR) at Menara MITI, Kuala Lumpur.

Ambassador Tai is on a one-day visit to Malaysia, which is the first visit by a U.S. Cabinet Member since the formation of the Malaysian Unity Government. The Ministry of International Trade and Industry had previously hosted the U.S. Secretary of Commerce, H.E. Gina Raimondo in November 2021. Earlier, Ambassador Tai had paid a courtesy call on the Malaysian Prime Minister, Dato' Seri Anwar Ibrahim, at Perdana Putra. In welcoming Ambassador Tai to Malaysia, Prime Minister highlighted that Malaysia and the U.S enjoyed a deep and vibrant bilateral relationship, blessed with deep linkages in the long-standing and multifaceted relationship with extensive trade and investment ties.

As champions of the multilateral trading system, Malaysia and the U.S. share a strong track record of progressive outcomes in various international fora. Noting the need to strengthen regional economic integration, Tengku Zafrul commended the role of the U.S. in pioneering the Indo-Pacific Economic Framework for Prosperity (IPEF), a 14-member regional trade alliance that discusses facilitation of trade; supply chain resiliency; clean energy, decarbonisation and climate change; as well as tax and corruption. Ambassador Tai shared that the U.S envisions IPEF deliverables to be pragmatic and forward-looking as it is not a conventional trade agreement. Echoing Ambassador Tai's statement, Tengku Zafrul added that it is crucial for IPEF to outline tangible outcomes towards achieving common trade and investment objectives in the Indo-Pacific region.

In adapting to the current business megatrend, both Tengku Zafrul and Ambassador Tai agreed that compliance with the principles of Environmental, Social and Governance (ESG) in businesses is the key way forward. In ensuring inclusive adoption, Tengku Zafrul emphasised on a just transition towards embracing ESG and the need to address the key challenge of varying levels of development that will require support in capacity-building, in which the U.S., as one of ESG's key advocates, could play a crucial role.

Tengku Zafrul also expressed enthusiasm towards engaging in tangible discussions with the U.S., as the Chair of the Asia Pacific Economic Cooperation (APEC) 2023, and other APEC Economies in uplifting innovation, digitalisation, inclusivity and sustainability agenda in 2023, especially in advancing the growth of Micro, Small and Medium Enterprises (MSMEs). In this regard, Malaysia believes that the APEC 2023 theme "Creating a Resilient and Sustainable Future for All" is apt and relevant to address the current economic challenges towards attaining APEC's objective.

As founding members of APEC, Malaysia and the U.S. have a pertinent role to assume in achieving APEC deliverables, particularly in supporting the realisation of Putrajaya Vision 2040 launched during Malaysia's chairmanship of APEC in 2020, where the Leaders were resolute in advancing APEC's agenda to achieve an open, dynamic, resilient and peaceful Asia Pacific community by 2040 for the prosperity of its people and future generations.

Currently, there are more than 600 U.S. companies operating in Malaysia with major investments in the electrical and electronics (E&E) and renewable energy sector. In 2022, total trade between Malaysia and the U.S. grew by 23.3% to RM267.58 billion (USD60.70 billion) compared with RM216.97 billion (USD52.33 billion) in 2021. The U.S. is currently Malaysia's third largest trading partner after China and Singapore.

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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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