



MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY



MEDIA STATEMENT



**MALAYSIA EXPLORING APPROPRIATE MEASURES TO MITIGATE IMPACT ON MALAYSIAN EXPORTS;
WILL CONTINUE ENGAGING WITH US AUTHORITIES ON FAIR TRADE RELATIONS**

Pursuant to the recent 10% tariffs hikes and reciprocal tariff announced by the United State of America (“the US”) on Malaysian exports to the US, **the Ministry of Investment, Trade & Industry (MITI) views these tariffs seriously and is actively engaging with the US authorities to seek solutions that will uphold the spirit of free and fair trade.** In upholding such spirit, **Malaysia is not considering retaliatory tariffs.**

The US tariffs affect many countries with potentially significant implications for global trade and growth. The **National Goeconomic Command Centre (NGCC) – recently approved by Cabinet –** will evaluate the impact of this recent US announcement and will consider **a comprehensive and multi-pronged strategy to mitigate the effects of these tariffs on our economy and industries.** The NGCC – **to be chaired by the Prime Minister with MITI as the Secretariat –** features high-level representatives from key ministries and agencies. The **NGCC’s key focus** is to **ensure the Malaysian economy remains competitive amidst these volatile times.** At the ASEAN level, the first meeting of the **ASEAN Goeconomic Task Force –** established at the ASEAN Economic Ministers’ Retreat in February 2025 – will also commence soon.

Malaysia will utilise the **Trade and Investment Framework Agreement (TIFA) to seek reciprocal trade gains and pursue a Technology Safeguards Agreement with the US** to facilitate high-tech cooperation in semiconductors, aerospace, and digital economy sectors. According to the US Bureau of Economic Analysis, Malaysia ranks 15th on the US list with a trade surplus of USD24.8 billion in 2024. **Despite the trade deficit in goods, the US enjoys a trade surplus in services with Malaysia,** reflecting strong bilateral economic ties that support jobs and economic growth for both nations. It must be highlighted that the trade deficit with the US is also due to many US firms that have been operating in Malaysia for decades, on account of Malaysia’s well-established industrial ecosystem, especially in the E&E sector.

We acknowledge that President Trump's tariff hike poses a significant challenge to global trade dynamics. While respecting such sovereign decisions, **Malaysia strongly believes in constructive engagement for mutually beneficial economic relations. MITI is committed to safeguarding Malaysia's economic interests and maintaining strong trade relations with the US.**

To mitigate tariff impact, Malaysia is **expanding our export markets by prioritising high-growth regions and leveraging existing Free Trade Agreements (FTAs)** including the **Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)**, and the **Regional Comprehensive Economic Partnership (RCEP)**. Malaysia will also **foster new partnerships within ASEAN and enhance Malaysia's supply chain resilience by accelerating the implementation of key industrial policies** like the New Industrial Master Plan 2030 (**NIMP 2030**) and the National Energy Transition Roadmap (**NETR**).

The **Government is engaging with the affected industries, while exploring support programmes to help businesses adapt.** MITI remains committed to **open dialogue and collaboration to resolve trade disputes** and promote mutual prosperity.

Malaysia is facing this challenge from a position of strength and preparedness. The fundamentals of our economy remain robust. In the immediate future, while the external environment may be challenging, our **diversified markets and products, along with strong demand for our produce, will provide us with some buffers.** Furthermore, **domestic demand**, which is our main driver of growth, **remains robust.** MITI believes **the Malaysian economy will continue to be resilient amidst these challenges.**

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About MITI:

MITI is the key driver in making Malaysia the preferred destination for quality investments and in 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 helping to achieve the country's stated goal of becoming a developed nation.

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