



MINISTRY OF  
INTERNATIONAL TRADE AND INDUSTRY

## **MEDIA RELEASE**

### **MITI SENIOR MINISTER ANNOUNCES DRAWING UP OF NATIONAL ESG FRAMEWORK FOR MANUFACTURING SECTOR IN LINE WITH MALAYSIA'S NET ZERO GREENHOUSE GAS EMISSIONS STATUS BY 2050**

---

Senior Minister and Minister of International Trade and Industry, YB Dato' Seri Mohamed Azmin Ali, chaired the MITI 2022 Dialogue Sessions on 25 August 2022 which saw vibrant and productive discussions and exchange of views with business representatives, Malaysian industry associations and national and international chambers of commerce regarding strategies and solutions towards greater enhancement of the country's trade and investment ecosystem.

In his opening remarks, Dato' Seri Azmin gave an overview of MITI's overall achievements in investment and international trade performance and MITI's three main focuses in the near term to maintain the country's competitiveness, namely, trade and sustainable development, supply chain resilience and human capital development.

During the engagement session, the Senior Minister announced the formulation of a national environmental, social and governance (ESG) framework for the manufacturing sector in line with Malaysia's net zero green-house gas emissions target by 2050. MITI will provide a framework to mainstream ESG elements in the development of the manufacturing sector which will include four main components, namely, ESG standards, financial support and incentives, capacity building and market mechanisms including carbon trading and carbon pricing.

It will be formulated based on consultation and engagement with local and international stakeholders, involved in the manufacturing, regulatory and financial sectors. The progress of the framework is dependent on the level of achievement in engagement and collaboration with stakeholders.

"Along with the National Investment Aspirations (NIA) goals, MITI will intensify its focus on sectors such as the digital economy, E&E, pharmaceuticals, chemicals and aerospace that have significant economic potential and sustainable long-term benefits," Dato' Seri Azmin said.

This annual dialogue series is an initiative of MITI based on a consultative approach with stakeholders towards holistic formulation and review of policies to drive the country's economic growth via increased international trade, sustainable industrial development and quality investment. Yesterday's robust and fruitful dialogue sessions saw the participation of 12 ministries and 151 organizations. MITI had received 96 memorandums covering 24 categories out of a total of 396 issues submitted along with motions for the Government's consideration.

On the challenges posed by the current geopolitical and geo-economic dynamics, Dato' Seri Azmin said, "Indeed, while global inflationary forces are beyond our control, it remains our resolve to ensure that we progress in terms of productivity and competitiveness. These are fundamental factors which we can rely on as long as we have the courage and conviction to succeed."

In tackling the issue of foreign workers, the Senior Minister underscored the imperative for a long-term solution in order for the domestic industry to reduce and eventually eliminate its dependence on low-skilled labour. He also urged the manufacturing sector, especially SMEs, to continue to invest and adopt advanced manufacturing technology to increase productivity and reduce the costs of doing business.

The Senior Minister gave the assurance to dialogue participants that MITI will remain steadfast and fully committed to working together with the industry and entrepreneurs in addressing the challenges towards further strengthening Malaysia's economic recovery and reinforcing the nation as a global trading powerhouse.

Some of the recommendations highlighted in the MITI Dialogue will be extended for the consideration of the Ministry of Finance in the formulation of the 2023 Budget.

## **MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY (MITI)**

**26 AUGUST 2022**

### **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.

### **Media enquiries:**

#### **Strategic Communications Unit, MITI**

Tel : +603 6200 0083

Fax : +603 6206 4293

E-mail : [alluks@miti.gov.my](mailto:alluks@miti.gov.my)