



MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY



MALAYSIA READY TO RESUME THE MALAYSIA-EUROPEAN UNION FREE TRADE AGREEMENT (MEUFTA) NEGOTIATIONS

Malaysia stands ready and is optimistic to relaunch the Malaysia-European Union Free Trade Agreement (MEUFTA) negotiations, subject to the EU's agreement. This is in consideration of the high potential benefits to Malaysian businesses and citizens, as well as to help secure the global supply chain in key sectors.

The Ministry of Investment, Trade and Industry (MITI) began the scoping exercise in September 2023, which explored possible ways to reconcile Malaysia and the EU's respective positions in previous negotiations. The outcome of the scoping exercise was presented to and agreed upon at the Cabinet Meeting last week. The negotiations had earlier been suspended for 12 years, and while there are still differences on several core issues, MITI will try to work towards a workable draft text that will safeguard Malaysia's interests, and is mutually acceptable by both parties.

The MEUFTA is expected to further enhance Malaysia's exports of electrical and electronic products; palm oil and palm oil-based agriculture and manufactured products; as well as optical and scientific equipment into the EU market. More investment inflow is also expected from the EU in high tech sectors such as green energy and advance manufacturing, in line with the missions stipulated under the New Industrial Master Plan 2030.

In 2023, the EU was Malaysia's 4th largest trading partner after the People's Republic of China, Singapore and the United States with total trade amounted to RM206.79 billion. For the period of January to July 2024, the total trade was

RM125.87 billion, an increase of 6% compared to the corresponding period last year.

In terms of investment, as of 2023, a total of 1,323 projects worth RM227.9 billion with the EU's participation had been implemented, creating 153,139 job opportunities.

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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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