

MATRADE'S INCENTIVES FOR THE SERVICES SECTOR

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MATRADE

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VISION

Positioning Malaysia as a globally competitive trading nation

MISSION

Promoting Malaysia's enterprises to the world

The Time to Export is Now

GLOBAL NETWORK



- | | |
|-----------------|---------------------|
| 1 Los Angeles | 24 Tashkent |
| 2 New York | 25 Budapest |
| 3 Miami | 26 Kiev |
| 4 Mexico City | 27 Jeddah |
| 5 Santiago | 28 Chennai |
| 6 Sao Paulo | 29 Yangon |
| 7 Buenos Aires | 30 Guangzhou |
| 8 The Hague | 31 Shanghai |
| 9 Lagos | 32 Chengdu |
| 10 London | 33 Beijing |
| 11 Paris | 34 Seoul |
| 12 Milan | 35 Bangkok |
| 13 Frankfurt | 36 Ho Chi Minh City |
| 14 Moscow | 37 Hanoi |
| 15 Warsaw | 38 Manila |
| 16 Istanbul | 39 Taipei |
| 17 Cairo | 40 Hong Kong |
| 18 Nairobi | 41 Osaka |
| 19 Johannesburg | 42 Tokyo |
| 20 Doha | 43 Phnom Penh |
| 21 Dubai | 44 Jakarta |
| 22 Mumbai | 45 Melbourne |
| 23 Almaty | 46 Medan |

35 Trade Offices | **11 Marketing Offices**

OUR GLOBAL OFFICES OFFER



Export Facilitation
& Trade Advisory
Services



Links Key Industry
Players &
Government Bodies



Trade Leads &
Market Intelligence



Business Matching
Arrangement with
International Buyers,
Implementing
Export Promotion
Services

REGIONAL OFFICES



5 Regional Offices

OUR REGIONAL OFFICES OFFER



Business Consultations
& Advisory Services
for Malaysian
Companies



Promotion of
MATRADE's Events to
Malaysian Exporters



Identifying High-
Potential Malaysian
Exporters



Market Information
on Export Market
Requirements &
Opportunities

Composition of Malaysia's Exports & Imports of Services in 2017

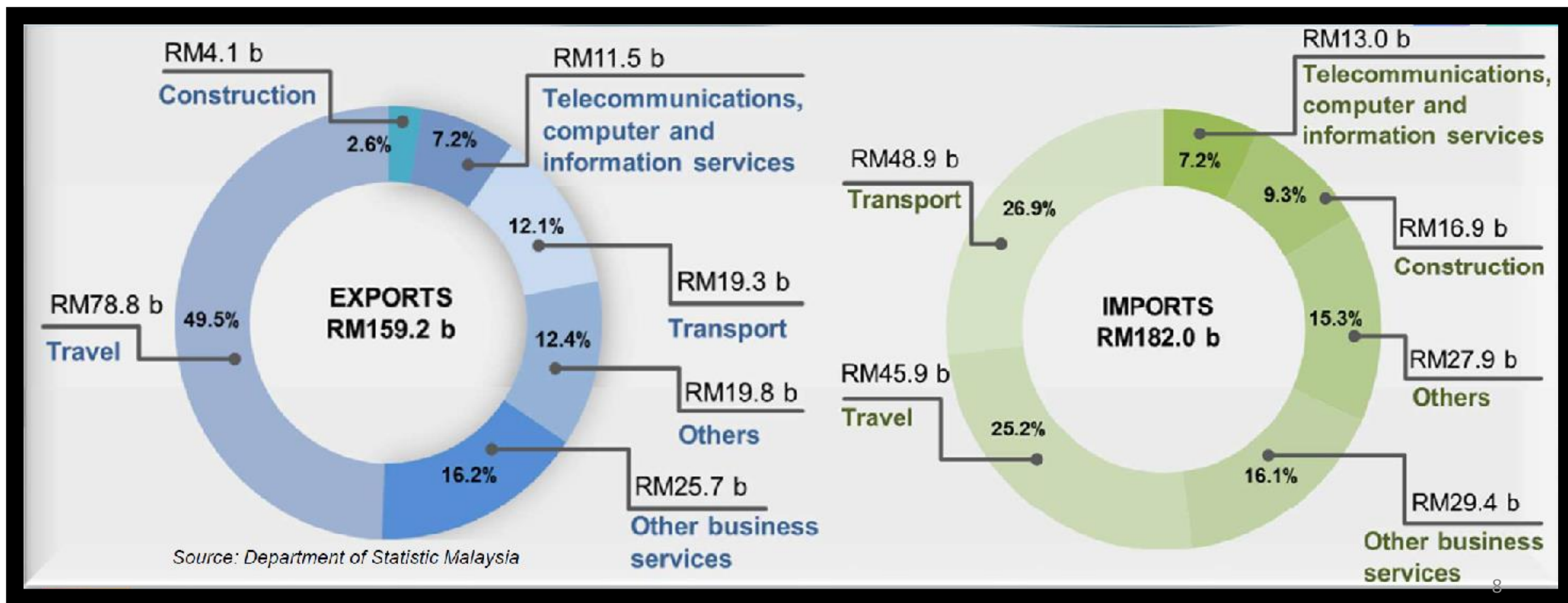
Composition of Malaysia's Exports & Imports of Services in 2017

Exports RM159.2 billion

Total Services Trade RM 341.1 billion

Imports RM182 billion

Deficit: -RM22.8 billion

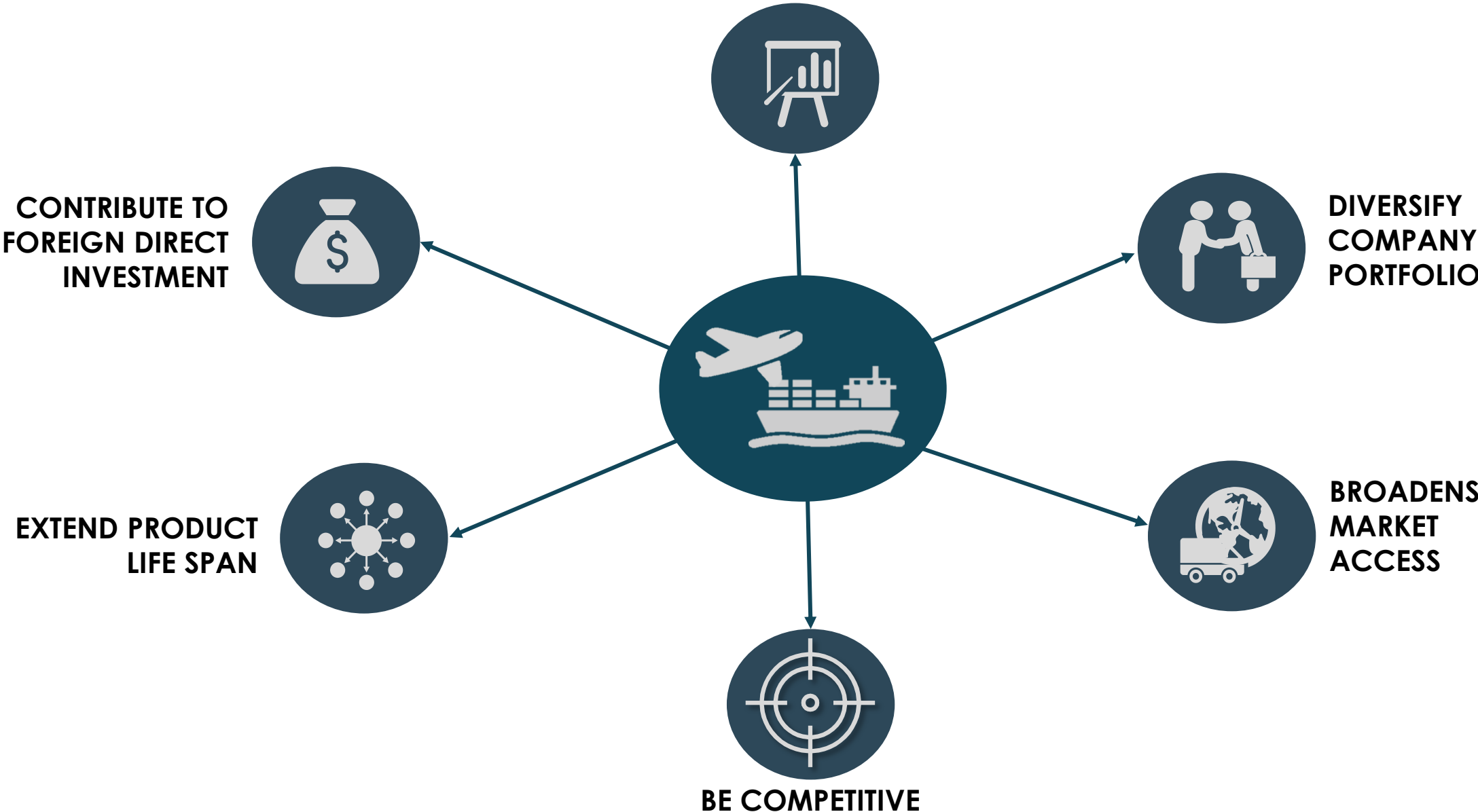


Why You Should Go Global?

WHY YOU SHOULD GO GLOBAL?



ECONOMIES OF SCALE



MATRADE's Support For Services Sector

MDG | MARKET DEVELOPMENT GRANT

OBJECTIVE

To assist SMEs, Professional Services Providers, Trade & Industry Associations, Chambers of Commerce & Professional Bodies in undertaking eligible export promotional activities.



FORM OF GRANT

A reimbursable grant on the eligible expenses.

GRANT CEILING

Maximum RM200,000 per company.
(since the commencement in 2002)

MANDATORY REQUIREMENTS

Registered as a MATRADE Member under the Malaysia Export Registry (MER)

An active business entity (ONLY applicable for company MORE than 1 year)

NOT a GLCs or have government equity (federal/ state)

Export promotional activities (programme subsidised/ sponsored by 3rd parties are NOT eligible to claim).



APPLICATION & SUBMISSION

Application **MUST** be submitted **ONLINE** through www.matrade.gov.my

Submission of application:

within 40 CALENDAR DAYS

- From the **LAST DATE** of activity for
 - ✓ Int. Trade Fairs;
 - ✓ TIM/ EAM;
 - ✓ Int. Conferences Overseas;
- from the **FIRST DAY** of listing in the supermarkets/ hypermarkets/ retail centre overseas.

Submission of reports by the organiser:

- within 40 CALENDAR DAYS
 - ✓ Int. Trade Fairs (local)
- within 14 WORKING DAYS
 - ✓ TIM/ EAM

MDG | Eligible Activities & Expenses

ELIGIBLE ACTIVITIES

ACTIVITY 1
PARTICIPATION IN INTERNATIONAL TRADE FAIR,
LOCAL = **Max. RM5k**
OVERSEAS = **Max. RM15k**

ACTIVITY 2
**PARTICIPATION IN TRADE INVESTMENT MISSION/
EXPORT ACCELERATION MISSION,**
Organised by/ Jointly Organised with MATRADE = **Max. RM10k**;
NOT Jointly Organised with MATRADE = **Max. RM2k**

ACTIVITY 3
PARTICIPATION IN INTERNATIONAL CONFERENCES OVERSEAS,
As a Participant or Speaker = **Max. RM2.5k**

ACTIVITY 4
**LISTING FEE FOR MADE IN MALAYSIA PRODUCTS IN HYPERMARKET/
SUPERMARKET/ RETAIL CENTRE OVERSEAS,**
Per Country = **Max RM20k**

ELIGIBLE EXPENSES

Participation Fees,
Booth Construction/
Enhancement



Accommodation &
Airfare



Land Transportation
(to ASEAN countries)



Listing Fees
for **Activity 4**



What is SEF?

-  SEF is a financial assistance to encourage Malaysian Service Providers (MSPs) to undertake activities to expand and venture into the international market. Trade Associations, Chambers of Commerce and Associated Professional Bodies are also eligible for Activity 1 – 4.
-  The grant and soft loan disbursed is according to the maximum amount of each activity.
-  Up to a total of RM5 million per company for the duration of the period 2015 – 2020.

Objectives

- Expand export of services.
- Brand MSPs as internationally competitive, competent and reliable by increasing the awareness of their expertise in the international market.
- Securing projects overseas by undertaking feasibility studies and other related studies which will enable Malaysian companies to have competitive edge.

Eligibility Criteria for SEF

A. Malaysian Service Providers (MSPs) must be:

1. Incorporated under the Malaysian Companies Act 1965

OR

Malaysian professionals, registered with respective professional authorities in Malaysia

Note: Activity for SEF Application/ Claim must be in line with the activity stated in the entity establishment document

2. At least 60% Malaysian equity owned

3. In operation at least 1 year

4. Not a Government Linked Majority Owned Company

5. Registered with MATRADE under the Malaysia Exporters Registry (MER)

6. Entity is exporting Malaysian services / ready to export

B. Trade & Industry Associations, Chambers of Commerce & Professional Bodies:

Only for Activity (1 – 4)

1. Registered with the Registrar of Society (ROS) or Associated Professional Authority.

SEF – GRANT

- Grant by MATRADE
- Soft loan by MIDF
- Maximum amount RM5 million per company (2015 – 2020)
- Application MUST be submitted ONLINE through www.matrade.gov.my

Grant

- 50% reimbursable grant for 5 Activities

Activity 1 (RM50,000)

- Speaker in International Conference / Seminar and participation in services industry related competitions.
- Travelling expenses for tender bidding.
- Procuring commercial intelligence / market reports.

Activity 2 (RM50,000)

- Rendering services for projects undertaken overseas.
- Presentation to potential client.
- Preparation of prototype, system customization / localization.

Activity 3 (RM150,000)

- Setting up office overseas.

Activity 4 (RM1,000,000)

- Logistic cost (port to port)

Activity 5 (RM3,000,000)

- Feasibility study.

SEF – SOFT LOAN

Soft Loan by MIDF

- 2% interest rate
- Up to 90% margin of financing
- Repayment period between 1 – 5 years

Activity 6 (RM2 million)

- Cost incurred in preparation and submission of project proposals for overseas projects.

Activity 7 (RM5 million)

- Expenses related to raising bank guarantee or performance bond to execute overseas project.

Activity 8 (RM5 million)

- Collateral in issuance of bank guarantee or performance bond.

Activity 9 (RM150,000)

- Remaining 50% on eligible expenses for setting up office overseas for the initial twelve (12) month.

Activity 10 (RM5 million)

- Mobilisation costs.

LCSMEPP | Large Corporations – SME Partnership Programme

- To strengthen Malaysian SMEs for the international market through knowledge transfer and technical guidance.
- To increase the contribution of SME service providers towards export of services.
- To create market access through overseas projects by larger corporations.

*“Helps SMEs to strengthen their **capabilities and market reach** through partnership with large corporations”*

*“A **partnership** to promote **productivity and competitiveness**”*

Large Corporations – SME Partnership Programme



Areas of support for SME service providers

ITEM	ACTIVITY
<p>Activity</p> <p>①</p>	<p>Registration fees for certification or related costs to meet requirements by local government / authorities / professional bodies</p> <p><u>Financial support:</u> 100% reimbursable grant up to a maximum of RM100,000 per SME</p>
<p>Activity</p> <p>②</p>	<p>Participation in training programmes held locally or internationally to meet project requirements</p> <p><u>Financial support :</u> 100% reimbursable grant up to a maximum of RM100,000 per SME covering registration fee, airfare and accommodation</p> <p><u>Eligible expenses :</u> Covering registration fee, airfare and accommodation while attending the training session to meet project requirement</p>
<p>Activity</p> <p>③</p>	<p>Purchasing of software [e.g. Building Information Modelling (BIM)] for project implementation</p> <p><u>Financial support :</u> 100% reimbursable grant up to a maximum RM50,000 per SME for purchase of software and related technical support for project implementation</p>
<p>Activity</p> <p>④</p>	<p>Purchasing or rental of machinery for purpose of rendering service during the course of the project</p> <p><u>Financial support :</u> 100% reimbursable grant up to a maximum RM100,000 per SME for purchase or rental of machinery and technical support required for installation.</p>

Large Corporations – SME Partnership Programme



Areas of support for Large Corporations and SME service providers

ITEM	ACTIVITY
<p>Activity 5</p>	<p>Travelling expenses for the purpose of project inspection during implementation of the project.</p> <p><u>Financial support:</u></p> <p><u>For Malaysian SME service provider</u>, 100% reimbursable grant up to a maximum RM100,000.</p> <p>Coverage includes standard hotel room at maximum RM1,000 per night and economy class flight.</p> <p><u>For the Large Corporations</u>, 100% reimbursable grant up to a maximum RM50,000.</p> <p>Coverage includes standard hotel room at maximum RM1,000 per night for a maximum of three (3) nights for each trip and economy class flight, for one project management personnel.</p>
<p>Activity 6</p>	<p>Defray costs of preparation of documents for negotiated projects or for pre-tendering</p> <p><u>Financial support:</u></p> <p>Reimbursement of 100% to Large Corporations and SMEs for costs associated in securing negotiated-type projects as well as projects which requires tendering process with Malaysian SME service providers, at a maximum RM100,000 each.</p>

Large Corporations – SME Partnership Programme



Eligibility Criteria

To qualify for the programme:

- 1 The applicants must all be active and in operations (not dormant);
- 2 Companies incorporated under the Companies Act 1965, having at least 60% equity owned by Malaysian or Malaysian sole proprietors, professionals and partnerships registered with respective professional authorities in Malaysia;
- 3
 - Local Large Corporations (LLCs) and Government-linked companies (GLCs) are Malaysian registered companies with annual revenue above RM500 million for a period of 3 years including year of participation; **OR**
 - any Malaysian companies which have successfully secured overseas project or the leading company can be of any size, provided it has the intention of bringing other SMEs as partners, for project implementation;
- 4 MNCs registered in Malaysia engaging Malaysian Services for overseas project;
- 5 SME service providers as defined by National SME Development Council (NSDC) are firms with sales turnover not exceeding RM20 million or full time employees not exceeding 75 workers ;
- 6 SME service providers that are currently exporting or export-ready companies ;
- 7 Registered with MATRADE's Malaysia Exporters Registry (MER)

Large Corporations – SME Partnership Programme

Eligibility Criteria

Large Corporations must submit completed application form together with:

- i Evidence to demonstrate experience and competency as a company or individual person to be an international service provider either individually or in consortia.
- ii Detailed profiles and competencies of SME service providers' participation in the project
- iii Letter of Award or contract(s) / letter of intent / invitation to bid by project owner(s) for overseas projects

Note: Application form can be downloaded at www.matrade.gov.my
Open to all services sectors except tourism and financial sectors

An initiative to accelerate exports through eCommerce by participation of Malaysian companies on international eMarketplace / eCommerce platform.



HOW CAN eTRADE PROGRAMME HELP MALAYSIAN COMPANIES



Reduce cost of onboarding eMarketplace /eCommerce platform through eTRADE financial incentive up to RM5,000*



Enhance knowledge on cross-border eCommerce by participating in eCommerce /eTRADE seminars, workshop, etc.



Gain market access / increase number of export markets & buyers



Connect with third party e-commerce enablers

eMARKETPLACES / eCOMMERCE PLATFORMS UNDER eTRADE PROGRAMME

B2B		B2C		
Global		US	Global	Singapore
Buy Malaysia <small>FROM MALAYSIA TO THE WORLD</small>	Alibaba.com	amazon.com	ebay Aladdin Street.com amazon.com	Qoo10
tradeindia.com <small>India's largest B2B marketplace</small>	Avano	Thailand	Buy Malaysia <small>FROM MALAYSIA TO THE WORLD</small>	Indonesia MATAHARI Mall <small>#1 eCommerce</small>
Global (Halal Products & Services)		TARAD.com	Avano	
DagangHalal		China		
Aladdin Street.com	zizar <small>connecting halal trade</small>	JD.COM	Suning 苏宁	淘宝网 Taobao.com
		天猫国际 Tmall Global	天猫 Tmall.com	

Going Exports (Go-Ex) Programme (HIP4):

Introduction

- One of the High Impact Programmes (HIP) under the SME Masterplan (2012-2020)
- As part of the Government's initiatives to guide and enhance the growth of exports of Malaysian SMEs
- The programme is targeted at export ready companies or high potential exporting companies venturing into new products/services or to explore into new markets overseas.
- Open to Manufacturers and Service Providers only.

Going Exports (Go-Ex)

 Customised programme for SMEs to venture into international market

 To  SMEs contribution to total exports to **23%** in 2020



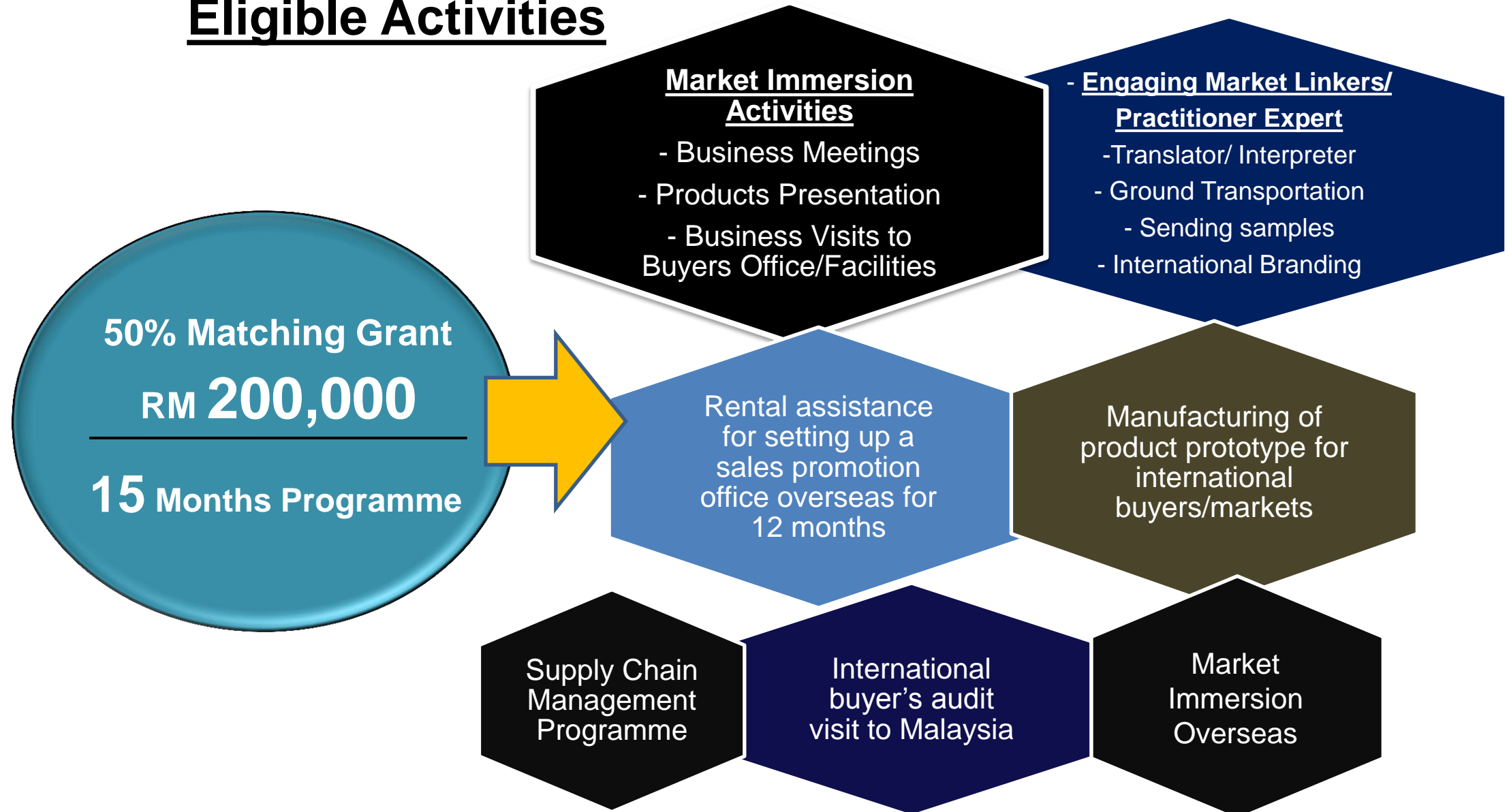
A total of **253** SMEs have been approved into the programme with **40** companies are from the services sectors.



Current sectors in the programme: Automotive . Building Materials . E & E . F & B
Healthcare . Lifestyle . ICT . Oil & Gas . Aerospace . Machinery & Equipment
Chemical . Logistics . Packaging . Professional Services



Go-Ex Programme: Eligible Activities





“Helping MTCs grow and succeed internationally”

**Mid-Tier Companies (MTCs) in Malaysia are defined as companies with annual revenues of between RM50 million- RM500 million in the Manufacturing sector, and between RM20 million – RM 500 million in the Services sector.*

MID-TIER COMPANIES DEVELOPMENT PROGRAMME

The Mid-Tier Companies Development Programme (MTCDP) is a MATRADE led programme that facilitates Mid-Tier Companies (MTC) to increase their export capabilities and export revenues that ultimately adds value to the Malaysian economy.

The 9-months programme enables selected MTCs to engage with MATRADE and international experts to develop a personalised export growth plan, including implementation strategies to broaden and strengthen their overseas presence.

Access to global market intelligence, customized tools and solutions

Receive personalised business consulting through market and industry experts

Identify and prioritise a network of potential business partners and new export markets

Introduction to potential international and local investors, venture capitalists and financial institutions

Mid-Tier Companies Development Programme (MTCDP)



- Implemented since 2014 to help Malaysian mid-tier companies (MTCs) to accelerate their export growth and to strengthen their core business functions.
- Definition of MTCs: companies with annual revenues between RM 50 million to RM 500 million in the manufacturing sector and between RM 20 million to RM 500 million in services sector.
- Participants : 50 high-performing MTCs per annum. Currently : 212 MTCs
- Duration: 9-month development programme.

59 MTCs in Services Sector



- Follow up after graduation: Ramp-up Programme for 2 years

- Business partner introduction
- Investors event
- Technology partner introduction
- Export market intelligence
- CEO networking & Leadership forum
- Bi monthly working sessions with MTCDP team
- Export best practices workshops
- Export tools

MID-TIER COMPANIES AND THEIR CONTRIBUTION TO MALAYSIA

MTCs represent a key driving force behind the Malaysia economy. There are approximately 10,000 MTCs in Malaysia, and despite being just 1% of all Malaysian firms, they collectively contribute ~30% of the country's GDP and employ over 22% of the workforce.



Mid Tier
Companies
Development
Programme

MATRADE's Facilities for Malaysian Service Providers



- One-stop center for foreign buyers to source for Malaysian products & services
- A permanent display centre of 4,500 sqm to showcase and promote Malaysian products and services.
- Accommodate 450 Malaysian companies with participation fee RM600 (products) & RM300 (services) per year. Covering of 30 industries such as Electrical & Electronics, Automotive & Autoparts, Biotech Products, Building Materials, Food & Beverages, Furniture, Household, Plastics & Packaging, Rubber Based Products, Paper & Stationery, Green technology, Chemicals, Cosmetics, ICT, Machinery & Metal Products & Services.
- 27 Malaysian Service Providers are exhibiting in MEEC.
- In 2017, MEEC received more than 6,500 visitors locally and internationally.

BIC MEMBERSHIP:

- Free access to the library



- Business Directories
- Country Profiles
- Tariff Schedules
- Market Reports
- Periodicals
- Statistics



Export Promotion Activities

Trade Fairs (TF)

Showcasing Malaysia's quality products and capabilities through local and international trade events

Aerospace & Automotive

Thailand Autoparts & Accessories 2018 (TAPA)
5-8 Apr

Kuala Lumpur International Aerospace Business Convention (KLIABC) 2018
30 Oct – 1 Nov

Automechanika Shanghai 2018
14-16 Nov

Construction & Building Materials

BIG 5 Dubai 2018, UAE
18-22 Nov

E&E

SEMICON West 2018, USA
10-12 July

Food & Beverages

Gulfood 2018, Dubai, UAE
18-22 Feb

FOODEX, JAPAN
6-9 Mar

MIHAS 2018, KL
4-7 Mar

SIAL PARIS 2018, PARIS
21-25 Oct

Lifestyle

PLMA's World Private Label 2018, Amsterdam
29-30 May

Medical & Pharmaceutical

Arab Health 2017, Dubai, UAE
29 Jan- 1 Feb

MEDICA Düsseldorf
12-15 Nov

Oil & Gas

Offshore Technology Conference (OTC), USA
20 Apr – 3 May

Mixed

The 123rd China Import and Export Fair - Spring Session (Canton Fair)
1-5 May

2018 Silk Road International Expo (SRIE) & The 22nd Investment And Trade Forum For Cooperation Between East And West China
23-26 May

The 15th China-ASEAN Expo (CAEXPO)
12-15 Sep

China International Import Expo
5-10 Nov

NOTE:

 Signature Trade Fair

International Sourcing Programme (INSP)



Bringing foreign buyers to Malaysia to meet Malaysian companies for their sourcing needs



Malaysia International Furniture Fair 2018, MITEC



Offshore Technology Conference Asia, KL



Semicon Southeast Asia 2018, KL, Malaysia



Malaysia Oil & Gas Services Exhibition & Conference, KL



Export Furniture Exhibition (EFE) 2018, KLCC



Malaysia Halal Showcase (MIHAS) 2018, MITEC



International Machine Tools and Metalworking Technology Exhibition (METALTECH), PWTC, KL



Export Acceleration Mission (EAM)



Bringing Malaysian companies abroad to explore opportunities and meet potential partners



EAM on Aerospace Industry @ Aerospace & Defence Supplier Summit, Seattle USA



EAM @ Hannover Messe, Germany



EAM on Logistics @ Transport Logistics China, Shanghai



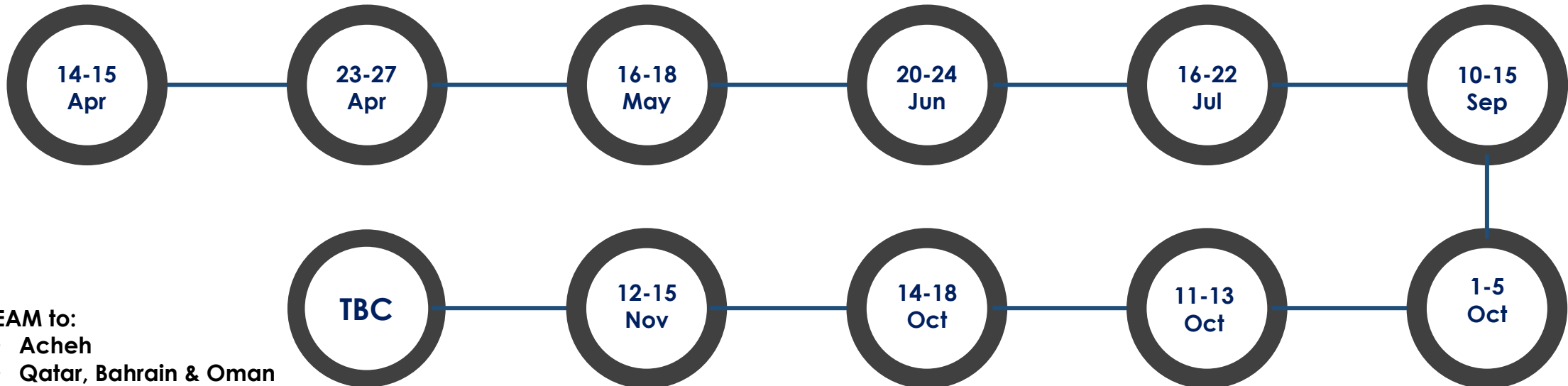
EAM on Construction @ Interbuild Egypt, Cairo



EAM @ Farnborough International Airshow, UK



EAM @ Tokyo Game Show, Japan



- EAM to:**
- Aceh
 - Qatar, Bahrain & Oman
 - Mozambique & South Africa
 - India & Bangladesh
 - Tajikistan & Uzbekistan
 - Latin Americas
 - Eastern Europe

EAM on Oil, Gas & Energy @ Abu Dhabi International Petroleum Exhibition & Conference



EAM @ GITEX Technology Week, Dubai UAE



EAM in Conjunction with Construction, Power & Mining Myanmar



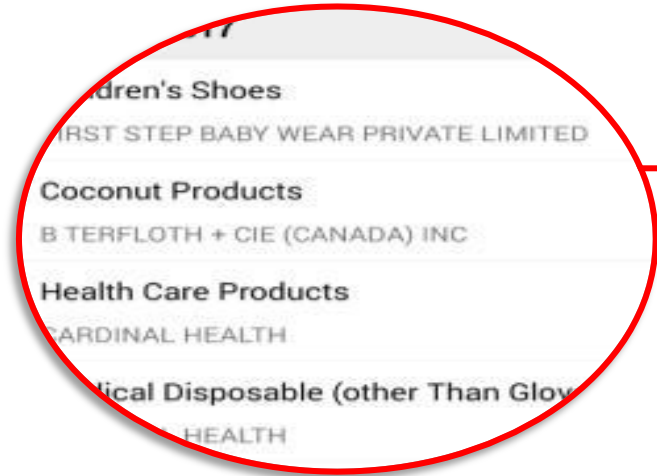
EAM on Oil, Gas & Energy to Azerbaijan & Kazakhstan

Other Facilities

MATRADE Mobile App



Dissemination of vital trade information to Malaysian exporters through MATRADE's mobile app



Trade Leads



Market Alerts



Product/Market Studies



EXPORTERS SUCCESS STORIES



Top 10 Foreign Countries		Total Visitors
1.	United States	95,875
2.	India	89,109
3.	Singapore	63,815
4.	China	39,569
5.	Japan	30,332
6.	United Kingdom	29,371
7.	Indonesia	25,678
8.	Australia	24,421
9.	Philippines	23,111
10.	Thailand	19,226

EXPORTERS GUIDE



MALAYSIA'S EXPORTERS e-DIRECTORY

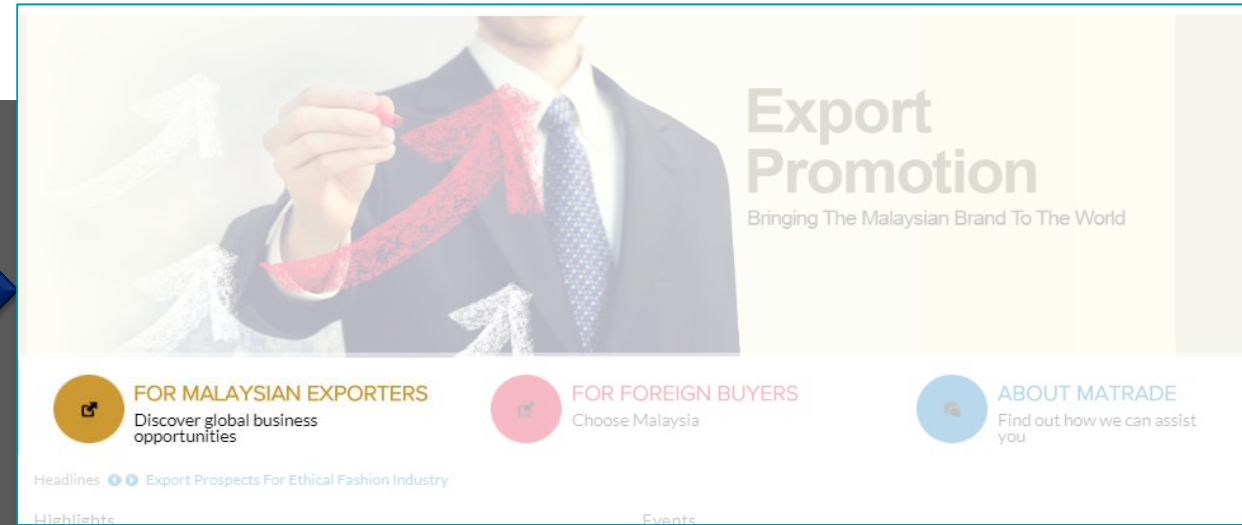


2.3 Million
Visitors *2016

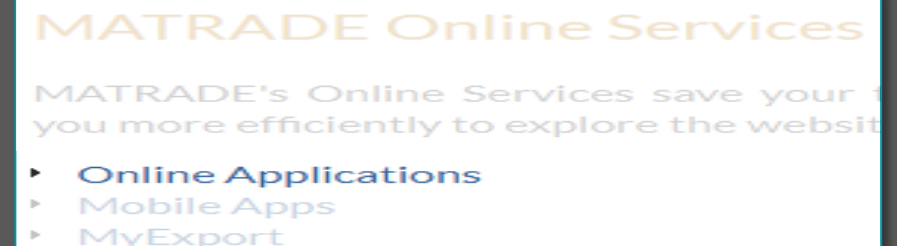
18 Million
Page Views *2016



Step 1: To access the online application, go to “**For Malaysian Exporters**” section in the MATRADE’s Portal



Step 2: Choose “**Online Application**” in the MATRADE Online Services information



Step 3: Click “**Register as MATRADE Member**”



Thank You

Join us online & grow exports



MATRADE HQ



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MATRADE



www.matrade.gov.my