



KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN INDUSTRI

KEYNOTE ADDRESS

BY

YB DATUK LIM BAN HONG

DEPUTY MINISTER

MINISTRY OF INTERNATIONAL TRADE

AND INDUSTRY

AT

THE OPENING OF

THE eNATIONAL EXPORT DAY (eNED) 2020

8 SEPTEMBER 2020 (TUESDAY)

9.20 AM

YBhg. Dato' Wan Latiff Wan Musa
CEO of MATRADE

Distinguished panel speakers,

Honored guests,

Ladies and gentlemen.

A very good morning,

1. It is my great pleasure to welcome you to the eNational Export Day 2020 (eNED2020) organized by MATRADE with the theme of “Transforming Crisis into Opportunities”.
2. In gathering all stakeholders to exchange knowledge, insights, expertise and experiences on external trade, this event will also provide businesses to embrace new innovative business models, reassess strategic priorities across the value chain and embark on a clear digitalisation journey.

Ladies and gentlemen,

3. The COVID-19 pandemic has caused an unprecedented crisis, bringing global economic activities to a standstill thus dampening growth. In tandem, Malaysia's GDP contracted 17.1% in the 2nd quarter of 2020 from a marginal growth of 0.7% in the first quarter. However, it must be highlighted, that a deeper analysis shows the contraction rate reduced significantly from -28.6% in April to -3.2% in June. This was due to the decisive, bold and timely measures introduced by the government.
4. In response to this crisis, the Government has expeditiously implemented large-scale and unconventional policies to protect lives, livelihoods and the economy. The RM295 billion PRIHATIN & PENJANA Economic Stimulus Package was introduced to ease the burden of the *rakyat* and the business community in mitigating the impact of the pandemic as a result of MCO.
5. The World Bank predicted that Malaysia GDP growth will rebound at 6.9% for year 2021. In this regard, Malaysia is positioned to ride out the crisis better than many other countries due to its diversified economic structure, sound

financial system, effective public health response and proactive macroeconomic policy support.

Ladies and gentlemen,

6. Malaysia's total trade in June 2020 actually expanded by 1.7% to RM144.78 billion while exports bounced back with an increase of 8.0% to RM82.82 billion. The manufacturing sector recovered with double digit growth and exports of manufactured goods which made up 87.5% of total exports picked up by 13.7% year-on-year to RM72.48 billion.
7. Now, even more promising are the numbers that we have for July, signalling Malaysia's exports rising for the second straight month. We recorded an expansion of 3.1% from a year earlier on higher shipments of manufactured goods and agricultural commodities, particularly palm oil. All said, our trade surplus widened to a historical high of RM 25.15 billion last month, beating the previous record of RM20.9 billion in June.
8. In terms of investment, as at June 2020, MIDA is reviewing a total of 725 projects with a value of RM36.7 billion and monitoring 141 high profile leads with potential investments of RM72.6 billion. MIDA has also facilitated 86 companies

from various countries including China and closed deals on 32 projects with investments amounting to RM17.5 billion to relocate or redeploy activities to Malaysia.

Ladies and gentlemen,

9. At the multilateral level, under the leadership of Malaysia, 21 economies of the Asia-Pacific Economic Cooperation (APEC) are committed to support the work of WTO, to advance efforts in trade facilitation initiatives and to strengthen the resilience of supply chains in the region in order to drive economic recovery during this challenging time.

10. Malaysia's international trade policies have been supportive towards fair and sustainable external trade. Therefore, it is crucial for Malaysian businesses to go beyond our borders, explore new opportunities in export markets. The Government through MATRADE, supports Malaysian exporters in conducting international business. MATRADE has leveraged on various digital platforms in undertaking export promotion programmes such as online business-to-business meeting (eBizMatch), webinars, virtual trade shows and e-business pitching sessions for exporters to conduct engagements with global clients.

11. The scope of Market Development Grant (MDG) has been expanded to cover expenses for participation in virtual trade events to promote exports, and logistics costs for shipment of products overseas. In addition, exporters registered with MATRADE are also able to access MyExport, a subscription-based online platform that provides market intelligence and trade leads.

Ladies and gentlemen,

12. COVID-19 has changed consumer habits and is evidently a boon for e-commerce activities to grow and new technology adoption to intensify. McKinsey Digital Insights reported that most global companies are now actively considering the digital-ecosystem business model given its value-generation potential in terms of growing core businesses, expanding networks and portfolios, generating revenues from new products and services, building end-to-end solutions to serve business customers, improving operational efficiency and talent development. The crisis has certainly amplified the importance of digitalization and it is vital for business sustainability and competitiveness.

13. In driving the 4th Industrial Revolution under the Industry4WARD Policy Framework, MITI and its agencies provide solutions and facilitations including funding, infrastructure, regulations, skills, and access to technology for the manufacturing sector's transformation into automation and the adoption of digitalisation. Therefore, I encourage businesses to optimise the incentives provided by the Government to reap the benefits of digital transformation.
14. YAB Prime Minister Tan Sri Muhyiddin Yassin unveiled the National Digital Infrastructure Plan, also known as *Jalanan Digital Negara* (JENDELA) to pave the way for our transition into 5G wireless technology and provide us with a competitive advantage while reinforcing the digital connectivity and bridging the digital divide in Malaysia.
15. The impact of COVID-19 pandemic on global supply chains has also forced businesses, in fact, entire industries, to rethink and transform their global supply chain model for business continuity. Hence, tapping into digital supply chain networks from the traditional linear supply chain models help businesses become more connected to their ecosystem which would enable end-to-end visibility, collaboration, agility and optimisation.

Ladies and gentlemen,

16. In spite of the challenges that we have faced, we are already witnessing positive signs of economic recovery from the unprecedented government interventions via various stimulus packages. The Government is committed to continue doing its part to drive the economy towards a better path in 2021 and calls on the businesses to seize the opportunities that are being created. The future of Malaysia's economic development lies solely in our hands. Let us all work together for the revival of our economy and to emerge stronger from this crisis.

17. I commend MATRADE for its continued efforts in organising this significant event to impart knowledge and technical know-how on export opportunities and strategies for businesses to diversify its export portfolio. On that note, I hereby declare the eNational Export Day 2020 officially open and I wish everyone a successful outcome.

Thank you.