



KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN INDUSTRI

OPENING REMARKS

BY

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ON

**AMAZON SOUTHEAST ASIA
ONLINE SELLER SUMMIT
“GO GLOBAL, SELL ON AMAZON”**

28 – 29 JANUARY 2021 (TUESDAY - FRIDAY)

*[Recording session on 7 January 2020 (Thursday),
11.30am at YBMK's office, Putrajaya]*

Ladies and gentlemen,

1. First and foremost, I am honoured and grateful to be invited to address this Amazon Southeast Asia Online Seller Summit. I would also like to congratulate Amazon for starting off the new year with this grand-scale virtual Summit, to benefit the SMEs from Malaysia, Singapore and the Philippines.
2. Given the line-up of the programmes during this event, I trust that all participants will gain better insights on the value propositions of digitalisation and E-Commerce that would enhance the prospects of businesses.
3. 2020 will be remembered as the year of the Corona virus pandemic where nations across the world were brought down to their knees under the assault of the deadly COVID-19. It has forced us to adapt to new norms, in health as well as in business both of which have been turned on their heads. Regional and global supply chains were among the earliest hit causing massive disruption to trade and the conduct of business.
4. But thanks to humankind's inventiveness and adaptability, crisis became opportunity and as the lockdowns and health protocols warranted greater social and physical distancing, they also triggered an upsurge of E-Commerce activities and digitalisation initiatives.
5. According to the latest reports, in November 2020, there were about 40 million new internet users in Southeast Asia in 2020 alone, compared to just 10 million in 2019, and 20 million in 2018. This has brought the total internet users or potential online buyers in the region to 400 million.

6. The exponential jump in online business could be attributed to the spike in demand in consumer electronics (by 33 per cent), apparel (22 per cent), home and living (12 per cent) and food and groceries (by 11 per cent).
7. Indeed, there were overwhelming motivational factors amongst Malaysian SMEs to join the E-Commerce activities in 2020. Through the training programs provided under the National E-Commerce Strategic Roadmap, a total of 92,274 SMEs enrolled themselves to be trained to use the E-Commerce platforms. This exceeded the Government's annual target of training 50,000 SMEs in 2020 itself.
8. The seismic change in trend of online selling and buying was also evident in Malaysia. According to the Department of Statistics, online retail sales in Malaysia grew by an average of 31.1 per cent during the first ten months in 2020, compared to an average of only 13.1 per cent growth for the whole 2019.

Ladies and gentlemen,

9. With the momentum of digitalisation moving at such a pace, there should be no let-up in efforts to further exploit the advantages and benefits particularly for the SMEs, which in turn will be a boon for economic recovery and reform.
10. In this regard, the establishment of the National Digital Economy and Fourth Industrial Revolution Council underscores our commitment towards providing clear and coherent policy leadership in our digital transformation agenda.

11. This very event complements the many efforts of the Government of Malaysia in advancing digitalisation throughout all value chains. As it is, Amazon is one of the key partners of the Malaysia External Trade Development Corporation, or MATRADE in encouraging SMEs to leverage on E-Commerce platforms. Certainly, this collaborative dynamism would enable SMEs to reach out to a wider spectrum of consumers in other countries.
12. SMEs could avail themselves of MATRADE's core services in exporters' development, export promotion, market insights and trade advisory. Being the national trade promotion agency, MATRADE has a massive network of 46 offices in major commercial cities around the world. This is further reinforced with a comprehensive multisectoral and global buyers' database that can facilitate the Malaysian SMEs to reach out to the global marketplace.
13. Hence, I call upon Malaysian SMEs to capitalise on the facilitation, by promoting the uniqueness and desirability of Malaysian products and brands, to meet the specific needs of international consumers.

Ladies and gentlemen,

14. In fostering trade integration at the regional level, as you may note, Malaysia along with other ASEAN Member States, Australia, China, Japan, the Republic of Korea and New Zealand signed the Regional Comprehensive Economic Partnership (RCEP) on 15 November 2020.

15. The RCEP marks the world's largest Free Trade Agreement (FTA), accounting for a combined GDP size of US\$26.2 trillion or 30 per cent of the world's GDP. In terms of the digital economy marketplace, RCEP will present a substantially enlarged consumer base for Malaysian SMEs to tap into. This comprises a market of 2.2 billion people, with more than 1.5 billion internet users, constituting the largest pool of online shoppers collectively in the world.
16. Malaysian companies, especially SMEs, will stand to also benefit from advanced technical cooperation in digitalisation which would enable them to develop more innovative and competitive products. Hence, migrating into digital supply chain networks from the traditional linear supply chain models has made all the difference in getting businesses to be better connected and integrated into their ecosystem.
17. Recognising that the digitalisation and E-Commerce prospects seem promising at the regional level, the Malaysian Government is committed to identifying and intensifying efforts to remove non-tariff barriers, including logistics and cross-border digital regulations that hamper exports. As such, we welcome feedback from the businesses with the issues confronting them on the ground.

Ladies and gentlemen,

18. Moving forward, the GDP of Malaysia is projected to grow between 6.5 and 7.5 per cent in 2021, with the strong rebound to be driven by the anticipated improvement in global growth in demand and international trade. This is also in line with other multilateral institutions such as the

International Monetary Fund which has projected a global economic growth of 5.2 per cent and a global trade growth of 8.3 per cent in 2021.

19. We could use this forecast to drive our social economic growth by leveraging on greater digitalisation as the effective catalyst.
20. While the Government is doing its utmost to provide the necessary impetus for this digital transformation, I believe that ultimately, the ball is at the court of the business community, to have the conviction and commitment to “go digital, go global” and seize the opportunities that are being created.
21. On that note, I wish all participants of this online Summit great success and a rewarding experience.

Terima kasih and stay safe.