



SPEECH BY

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MINISTER OF INVESTMENT, TRADE AND INDUSTRY

FOR THE

OPENING CEREMONY OF

MALAYSIA STRATEGIC TRADE SUMMIT (MySTS) 2023

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SHANGRI-LA HOTEL, KUALA LUMPUR

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Deputy Minister of Investment, Trade and Industry

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Principal Deputy Assistant Secretary, U.S. Department of
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Representatives from High Commissions and Embassies

CEO's and Heads of MITI Agencies, Representatives from
Ministries

CEOs and Captains of Industries

Distinguished guests and Participants of the Malaysia Strategic Trade Summit

Assalamualaikum w.b.t., Good Morning and *Salam Malaysia Madani*.

1. *Selamat Datang* to the inaugural Malaysia Strategic Trade Summit here in Kuala Lumpur. It is both an honour and a privilege for Malaysia to host this significant event for the very first time.
2. This summit underscores our dedication to Strategic Trade Management (STM) and serves as a pivotal platform for dialogue on the latest developments and global best practices in preventing the proliferation of weapons of mass destruction (WMD). I'm heartened to see such diverse participation of

stakeholders from various sectors, including industry, government, academia, and civil society. It is especially noteworthy to have participants from regions as diverse as the U.S., EU, UK, Japan, and ASEAN.

3. Our commitment to ensuring Malaysia stands as a secure and trustworthy nexus for trade and investment is evident through the implementation of the Strategic Trade Act 2010 (STA 2010). By hosting this Summit, we aim to further emphasise Malaysia's unwavering dedication to upholding the international security standards outlined in the United Nations Security Council Resolution 1540 (UNSCR 1540), reinforcing our stance against the spread of WMD.

MALAYSIA'S ECONOMIC ASPIRATIONS

Ladies and Gentlemen,

4. Malaysia stands resolute in its commitment to solidify its reputation as a top-tier investment destination and one of the world's most competitive trading nations. Our unwavering dedication to this vision is not just about economic numbers; it's about elevating Malaysia to a high-income nation and securing our place among the world's top 30 economies.

5. Guiding our ambitious journey are well-defined roadmaps, such as the Madani Economic Framework and the Twelfth Malaysia Plan. This Plan underscores our commitment to sustainable development, digital transformation, and enhancing the well-being of every Malaysian. It's about fortifying our nation's resilience, ensuring we can weather external challenges, and championing inclusive socio-economic growth.

6. In tandem with these, MITI's New Industrial Master Plan 2030 (NIMP 2030) lay a strong foundation to rejuvenate Malaysia's

manufacturing sector. They prioritize high-quality, high-tech investments, and champion sustainable practices, with positive spillover impact in terms of opportunities for SMEs, and high-paying jobs for our people. The NIMP 2030, in particular, places a spotlight on the new economy, with a keen focus on advanced E&E manufacturing and the growing digital economy.

7. Moreover, our newly introduced National Industry ESG Framework (i-ESG) is a testament to our commitment to sustainability. It's designed to support and also guide our manufacturing sector on embracing environmental, social, and governance (ESG) practices. This initiative not only taps into vast opportunities, but also ensures that our industries can continue to be part of ESG-sensitive regional or global supply chains and markets.

8. Together, these comprehensive strategies and frameworks will hopefully bring Malaysia to the next level and also build our industries' resilience to safeguard their prosperity, which in turn will ensure the nation's economic sustainability.

HARNESSING EFFECTIVE STRATEGIC TRADE POLICIES FOR A SECURE AND THRIVING TRADE ECOSYSTEM

Ladies and Gentlemen, Esteemed guests,

9. In the context of Malaysia's ambitious economic vision, it is important that we lead with a robust STM framework. This framework must be comprehensive, legally sound, and supported by solid inter-agency collaboration. While security remains paramount, we must also ensure that our position as a major transit and transshipment hub in the region is not compromised.

10. Legitimate trade activities should flourish without being hindered by security-related policies. At MITI, our on-going mission has been to strike a balance between security imperatives as well as trade facilitation, always aligning with best global STM practices.

11. Our efforts have shown results. Malaysia has not only enhanced its trade capacity but has also cultivated a reputation as a neutral trading environment, backed by strong rule of law. We have addressed concerns on proliferation while fostering a culture of compliance within the industry. I am proud to share that, in collaboration with our partners, Malaysia has consistently prevented attempts to proliferate sensitive goods and technologies that could, for example, be used in WMD.

12. However, the path ahead demands vigilance. The swift pace of technological advancements, while promising, also presents challenges. As highlighted by the research on Emerging Technologies and Trade Controls (2020), the rapid evolution of dual-use technologies underscores the need to balance technological leadership, economic competitiveness, as well as national security. While trade controls on these technologies can foster peace and reduce security threats, overly restrictive policies might unintentionally hamper economic growth, stifling competitiveness and innovation.

13. With an eye to the future, MITI is actively revisiting the STA 2010. Our goal is to streamline regulations, ensuring strategic goods and technology controls are tailored to specific industry segments. This review will also address any aspects of the STM that might inadvertently hinder growth, including in the defence industry.

SUMMIT PROGRAMMES HIGHLIGHTS AND THE MALAYSIA STRATEGIC TRADE CONTROL COMMUNITY

Ladies and Gentlemen,

14. Over the next five days, this Summit will offer a plethora of programs, including the Industry Outreach on Strategic Trade, the Women in Strategic Trade Forum, the Southeast Asia Forum on Export Control, and numerous bilateral meetings. I urge all participants to engage actively, share insights, and collaborate to shape the future of strategic trade.

15. Today's outreach program emphasises the integration of sustainability and security in the supply chain management of strategic goods and technology. It is crucial that these elements align with the Sustainable Development Goals (SDGs) and the ESG agenda.

16. Furthermore, I encourage you to stay updated on the latest advancements in strategic goods and technology. It is essential for our industry to remain vigilant and informed, especially on topics like intangible technology transfer and best practices in cybersecurity.
17. Transitioning to a significant milestone in our journey of Strategic Trade Management, I am pleased to announce the establishment of the Malaysia Strategic Trade Control Community (MYSTCC). Spearheaded by the industry, MYSTCC aims to bridge the gap between the business community, professionals, and experts in the STM domain.
18. This community will play a pivotal role in supporting MITI and our partner agencies in the effective execution of STA 2010. In its initial phase, MYSTCC will focus on educating industry stakeholders about strategic trade compliance, governance, and will also offer insights for policy development in STM.

CLOSING REMARKS

Ladies and Gentlemen,

19. I would like to express my heartfelt gratitude to the dedicated team at MITI. Their tireless efforts have been instrumental in bringing this Summit to life in Kuala Lumpur.

20. Our gratitude also extends to our co-organisers, the U.S. Department of State's Export Control and Related Border Security Program (EXBS), the U.S. Department of Energy's International Non-Proliferation Export Control Programme (INECP), and the European Union Partner-to-Partner (EUP2P) Export Control Programme. Their unwavering support has not only been crucial for the success of the Summit but has also strengthened our on-going partnership towards refining strategic trade policies.

21. As we embark on this summit, I hope each participant finds the experience enriching as well as insightful. And now, with *Bismillahrrahmanirrahim*, I officially launch the MALAYSIA STRATEGIC TRADE SUMMIT 2023.

Thank you.