

INITIATION OF BILATERAL FREE TRADE AGREEMENT NEGOTIATIONS BETWEEN MALAYSIA AND REPUBLIC OF KOREA



The Ministry of International Trade and Industry (MITI) is pleased to announce the initiation of Malaysia and Republic of Korea (Malaysia-Korea Free Trade Agreement - MKFTA) which has been agreed by MITI Minister, YB Datuk Darell Leiking and HE Yoo Myung-hee, Trade Minister, Ministry of Trade, Industry and Energy (MOTIE).

The discussion to explore the bilateral trade agreement was initiated when YAB Tun Dr. Mahathir Mohamed, Prime Minister of Malaysia met HE Moon, Jae-in, President of Republic of Korea in March 2019. During the meeting, both leaders recognised the significance of the enhanced economic cooperation and partnership between the two countries for mutual long-term prosperity.

Malaysia and Korea have established diplomatic relations since 1960. Since then, the economic relations have improved in many respects, especially with the full enforcement of the ASEAN-Korea Free Trade Agreement (AKFTA) from January 2010. Currently both Malaysia and Korea are also participating in the Regional Comprehensive Economic Partnership (RCEP) negotiations. The bilateral FTA is expected to provide a better platform for both countries to increase trade activities, as well as to facilitate investment. In order to strengthen the economic cooperation elements, both Malaysia and Korea are desirable of exploring cooperation which is line with both parties' economic development strategies, such as Malaysia's Look East Policy 2.0 and Korea's New Southern Policy.

In 2018, Korea was Malaysia's 8th largest trading partner with total trade increased by 7.2% amounting to RM72.60 billion (US\$17.98 billion) from 2017. In addition, Korea is Malaysia's 9th largest export destination driven by exports of electrical & electronics products, liquefied natural gas (LNG), petroleum products, manufactured of metal and chemicals and chemical products. Meanwhile, Korea is the 8th largest source of imports with major products such as electrical & electronics products, petroleum products, chemicals and chemical products, machinery, equipment and parts and iron & steel products.

Ministry of International Trade & Industry 27 June 2019

The Establishment of the Trade and **Industry Advisory Council**



The Ministry of International Trade and Industry (MITI) attaches great importance in engaging all strategic stakeholders especially the private sector in determining its policies and strategies for the interest of the nation and the well-being of rakyat.

Today, the Minister of International Trade and Industry, YB Datuk Darell Leiking announced the establishment of Trade and Industry Advisory Council (TIAC) during its inaugural meeting at MITI Tower, Kuala Lumpur. This Council is

expected to play a crucial role in shaping the Ministry's policies, strategies and potential reforms in the sphere of international trade, investment promotion and industry development.

MITI believes that this Council, which consists of twelve (12) outstanding individuals and organisations, represents diverse perspectives, expertise, affiliations and experiences which are crucial to shape robust and comprehensive policies for the Government. Among the organisations which formed part of TIAC are:

- Ministry of Finance;
- 1) 2) 3) Bank Negara Malaysia;
- Ministry of Economic Affairs;
- 4) 5) 6) 7) 8) National Chambers of Commerce of Malaysia (NCCIM);
- Institut Masa Depan Malaysia;
- Federation of Sabah Industries;
- Khazanah Nasional Berhad;
- Third World Network;
- 9) Faculty of Economics, University Malaya;
- 10) McKinsey & Company Malaysia; and
- 11) Economic Research Institute of ASEAN and East Asia (ERIA).

TIAC signifies the Government's strategy and focus on institutional reforms and good regulatory practices. MITI's policies moving forward will take into serious consideration various views and concerns by its stakeholders especially industry players. At the same time, we have to ensure that all our policies and strategies bring benefits and provide significant positive impacts for the rakyat, such as providing high income jobs for our people and opportunities for our SMEs and industries to grow.

TIAC is mandated to advise the Government, among others, on the initiatives to strengthen Malaysia's trading partnerships, attracting quality foreign direct investments, unlocking innovation to drive industrial growth, bringing more Malaysians into the labour force and building a highly drilled Malaysians (1) in the labour force and building a highly skilled Malaysia workforce for the jobs of tomorrow.

TIAC will also be able to draw upon the knowledge and expertise of the Chairman and Board of Directors from eleven (11) agencies under MITI which include Malaysia Investment Development Authority (MIDA), Malaysia External Trade Development Corporation (MATRADE) and Malaysian Industrial Development Finance Berhad (MIDF).

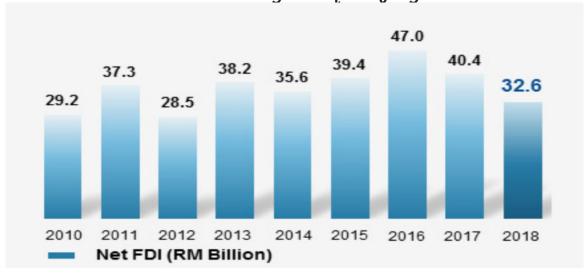
All advice and inputs by TIAC will be deliberated by MITI and the accepted policies and strategies subsequently will be escalated to the Economic Actions Council (EAC) and the Cabinet.

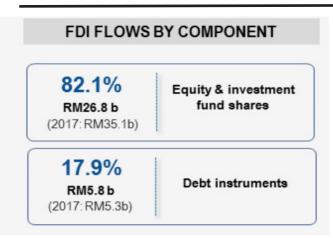
MITI believes that the establishment of TIAC will further enhance the Ministry in its vision to make Malaysia as the preferred investment destination and among the most competitive trading nations in the world.

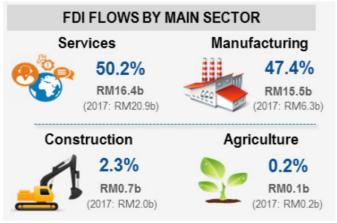
YB Datuk Darell Leiking Minister of International Trade and Industry 27 June 2019

STATISTICS OF FOREIGN DIRECT INVESTMENT(FDI) IN MALAYSIA, 2018

In 2018, FDI in Malaysia recorded RM32.6 billion as against RM40.4 billion in the previous year, due to lower investment in mining and quarrying sector







FDI FLOWS BY TOP COUNTRY AND SECTOR, 2018

1	USA	Manufacturing	Services	Others
	RM6.5b (20.0%)	90.1%	11.5%	0.9%
2 262	Hong Kong	Services	Manufacturing	Mining
2	RM6.4b (19.6%)	103.7%	2.6%	-2.8%*
	Japan	Manufacturing	Services	Mining
	RM4.9b (14.9%)	58.9%	39.6%	4.0%
	United Kingdom	Services	Mining	Manufacturing
	RM3.4b (10.5%)	49.9%	38.7%	11.0%
5	Netherlands	Mining	Services	Manufacturing
	RM2.5b (7.8%)	68.8%	21.0%	5.2%
Notes: * Nega	ative value refers to net outflow	action sectors		

Note:

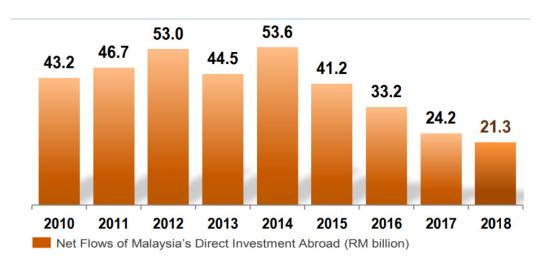
% - Percentage share to total FDI

Source: Department of Statistics, Malaysia

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STATISTICS ON MALAYSIA'S DIRECT INVESTMENT ABROAD (DIA), 2018

In 2018, Malaysia's DIA recorded of RM21.3 billion as against RM24.2 billion in the previous year, mainly due to lower investment in services sector

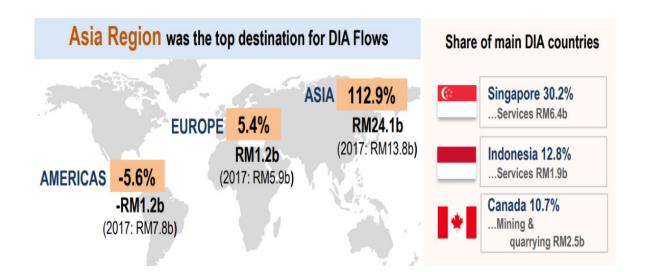


DIA FLOWS BY COMPONENT

54.1% RM11.5b (2017: RM15.4b) Equity & investment fund shares 45.9% RM9.8b (2017: RM8.9b)

DIA FLOWS BY SECTOR





Note:

% - Percentage share to total DIA

Source: Department of Statistics, Malaysia

Consumer Price Index (CPI), May 2019



CPI INCREASED 0.2% IN MAY 2019 COMPARED TO LAST YEAR

MAY 2019

MAY 2018

121.4 121.1



).2%

INFLATION RATE FOR MAIN GROUPS, MAY 2019 / 2018



1.8%

Housing, Water, Electricity, Gas & Other



-0.3% Health



1.3% Alcoholic Beverages



-0.4%

Recreation Services & Culture



Food & Non-Alcoholic Beverages

& Tobacco



-0.9% Communication



1.2% Education



-2.5% Transport



0.6% Restaurants & Hotels



-3.2% Clothing & Footwear



0.5%

Furnishings, Household Equipment & Routine Household Maintenance



-2.1%
Miscellaneous Goods
& Services

Note:

% - Year-on-Year Growth

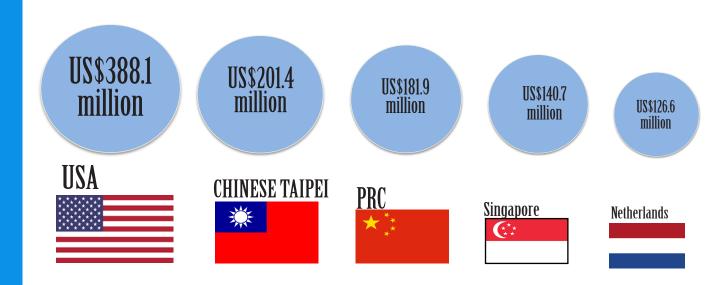
Source: Department of Statistics, Malaysia

World largest exporters of Parts and accessories for instruments and apparatus for electrical quantities or detecting ionising radiations*

In 2018, Malaysia's export of parts and accessories for instruments and apparatus for electrical quantities or detecting ionising radiations recorded USD 1,435.8 million with 46.7% share in world exports



Top Five Malaysia Export Destinations

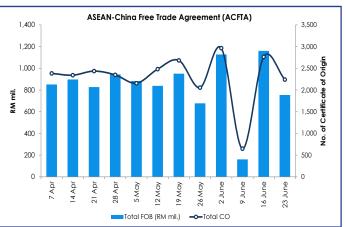


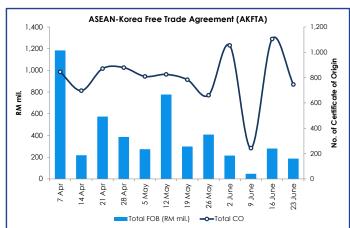
Notes: HS6D, 151620

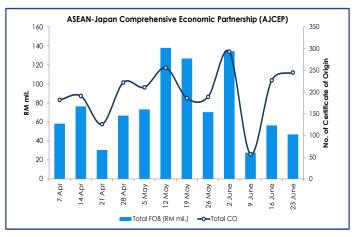
Source: http://www.trademap.org/Index.aspx

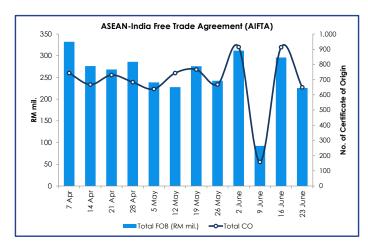
Number and Value of Preferential Certificates of Origin (PCOs)

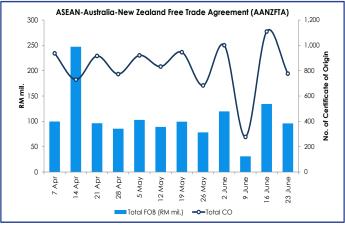


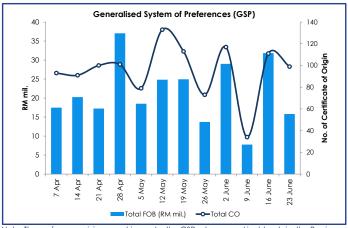










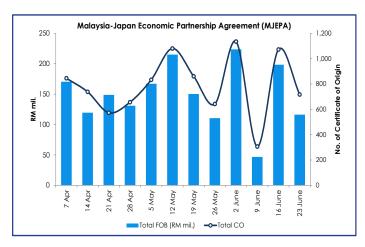


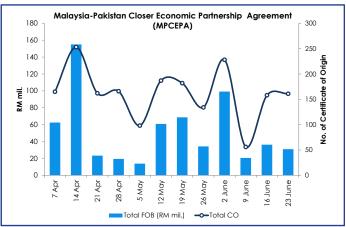
Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

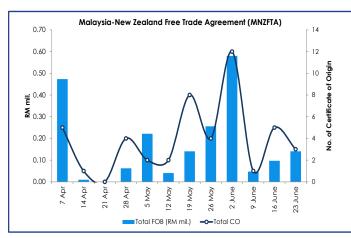
Note: *Provisional Data

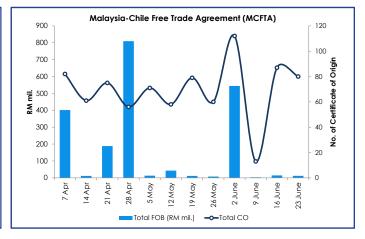
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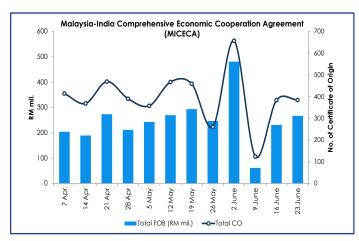
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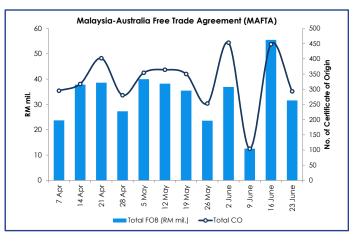


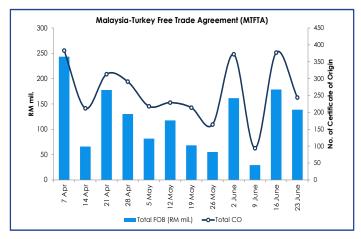










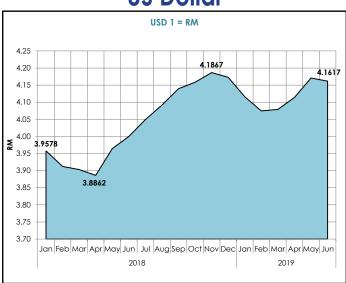


Note: *Provisional Data

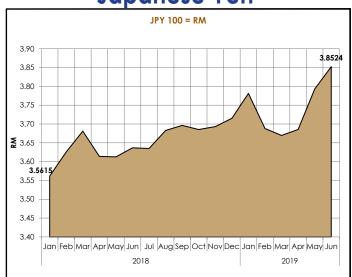
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2018 - June 2019

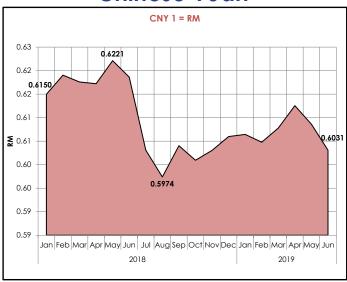




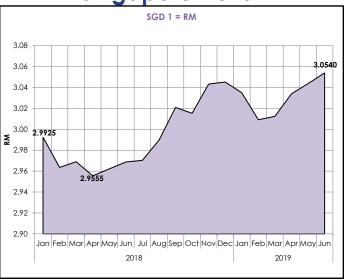
Japanese Yen



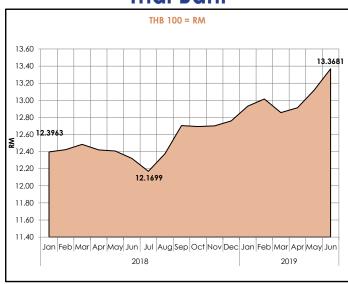
Chinese Yuan



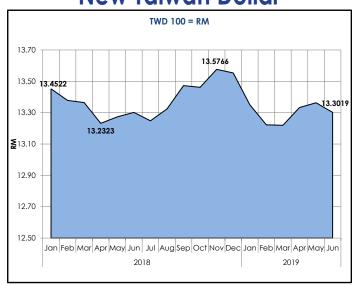
Singapore Dollar



Thai Baht



New Taiwan Dollar



s Source Barring arrandal graia

Commodity Prices





US\$66.6

28 June 2019

Highest 2018/2019

17 May 2019: US\$72.2 5 Oct 2018: US\$84.2

4 Jan 2019 : US\$57.1

28 Dec 2018 : US\$52.2

Lowest 2018/2019

Average Price 2018 : US\$71.5

CRUDE PALM OIL



US\$502.5

28 June 2019

Highest 2018/2019

22 Feb 2019: US\$567.0 9 Mar 2018 : US\$691.5

31 May 2019: US\$503.0

23 Nov 2018: US\$448.5

Lowest 2018/2019

Average Price 2018 : US\$600.1

RUBBER SMR 20 -per MT-



US\$1,482.0 28 June 2019

Average Price 2018 i: US\$1,371.0

COCOA SMC 2 -per MT-



0.9%* US\$1,605.5 28 June 2019

Average Price 2018 : US\$1,535.6

SUGAR -per lbs-

US\$12.6

28 June 2019



Average Price 2018 i: US¢12.3

COAL -per MT-



28 June 2019

Average Price 2018 : US\$66.9

SCRAP IRON HMS -per MT-



(high)

US\$290.0 (low)

28 June 2019

Average Price 2018 i: US\$380.7 (high) Average Price 2018 : US\$359.6 (low)

Domestic Prices 28 June 2019



Billets (per MT) RM1,950 - RM2,100

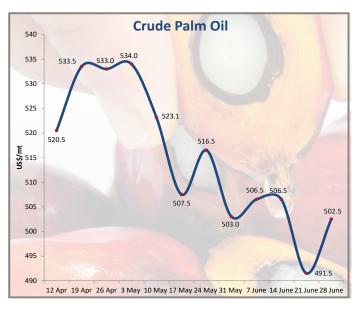
Steel Bars (per MT) RM2,080-RM2,230

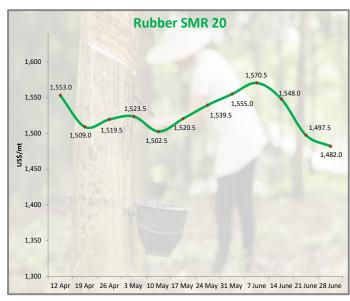
Notes: All figures have been rounded to the nearest decimal point

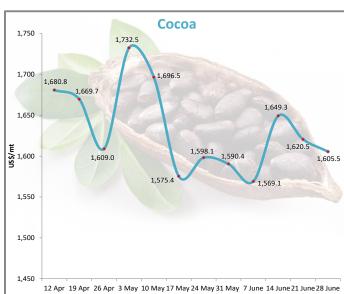
- * Refer to % change from the previous week's price
- i Average price in the year except otherwise indicated

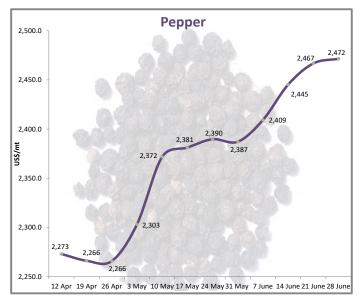
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

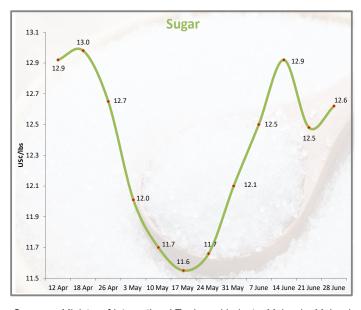
Commodity Price Trends

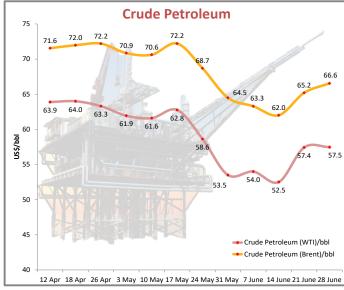






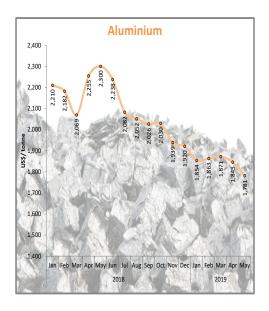


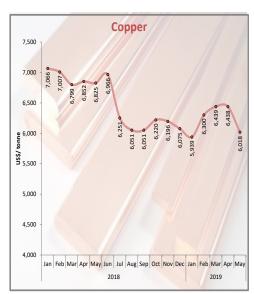


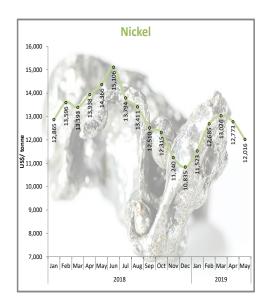


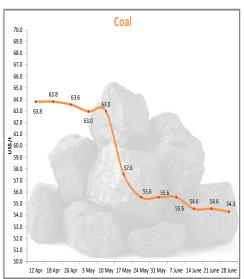
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

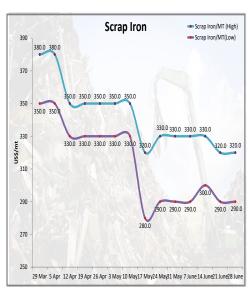
Commodity Price Trends

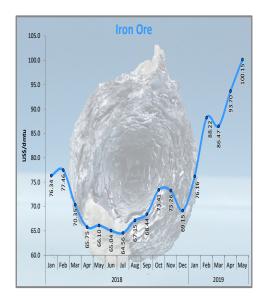


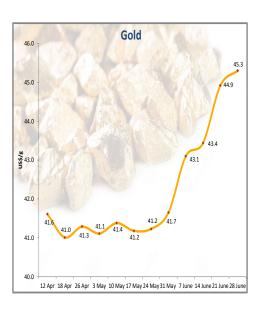


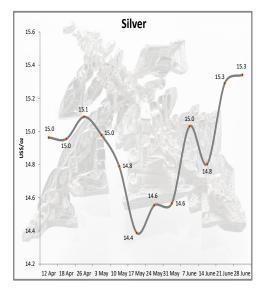


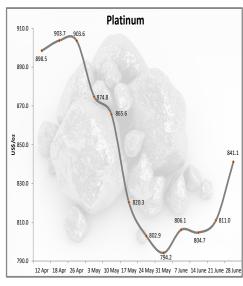












Sources: Ministry of International Trade and Industry Malaysia, , Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Courtesy call by MITI Deputy Minister on Vice Minister of Industry & Information Technology, Guangdong Province,PRC 23June 2019







MITI Deputy Minister launched Petronas' Internationalisation Expo "BEYONDHOME 2019" 27 June 2019









All you need to know about Industry4WRD RA



What is it?

Trained assessors will help you to understand your readiness for Industry 4.0 and make recommendations on where to start your transformation.

Who is eligible?



- Manufacturing and its related services sector
- Incorporated under the Companies Act (1965/2016)/ Registration of Business Act (1956)
- Hold a valid license
- In operation for more than 3 years

What are the benefits?







To identify areas of improvement in terms of people, process and technology.



Receive comprehensive readiness report.



Be entitled to apply for financial incentives.

Incentives for RA

- 500 SMEs will be selected for free assessment.
- Others will get tax exemption on RA fees up to RM27k.



Enquiries

- General: i4.0@miti.gov.my
- RA: industry4wrd@m pc.gov.my



Process Flow

A FEW SIMPLE STEPS







Evaluation by Committees



Onsite Assessment



Receive RA Report





Develop Intervention Proposal



Apply for Financial Incentives



Implement the Intervention Plan



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY



INDUSTRY4WRD RELATED INCENTIVES

Having the extra capital allows SMEs to flourish and prosper. Find the suitable fund for your company.

01 LOANS

Soft Loan Scheme for Automation and Modernisation (SLSAM)

- targets manufacturing sectors
- 4.0% interest rate per annum for SMEs
- www.midf.com.my

Industry Digitalisation Transformation Fund (IDTF)

- targeted sectors: Al, Robotics, Automation etc.
- provides a 2% interest rate subsidy
- www.bpmb.com.my

Coming Soon!

- 1. Intervention Fund*
- 70:30 matching grant up to RM500,000.
- 2. Industry4WRD DISF*
- . 60:40 matching grant

*participation in Industry4WRD RA is a prerequisite to apply

Domestic Investment Strategic Fund (DISF)

- 50:50 matching grant to companies adopting Industry 4.0 enabling technologies
- targets manufacturing and services sectors
- www.mida.gov.my

2 | GRANTS

Digital Transformation Acceleration Program

(DTAP) Pilot Grant

- 1:1 matching grant
- targets large corporate and mid-tier companies in Malaysia
- assists companies to tap on the expertise of Digital Transformation Labs (DTL)
- www.mdec.my

Automation Capital Allowance

(Automation CA)

For Labour Intensive Industries:

 Automation CA of 200% on the first RM4 million expenditure incurred within 5 years



 Automation CA of 200% on the first RM2 million expenditure incurred within 5 years

For other industries:

www.mida.gov.my





Heavy Metals

Potentially toxic metals used in industrial processes, for example, arsenic, chromium, copper, lead, mercury, nickel and zinc. They may damage plant and animal life at low concentrations and tend to accumulate in the food chain

Source: Environment Source Detail: Compendium of Environment Statistics, DOSM

Hectare

Metric unit of area defined as 10,000 square metres (100 m by 100 m), and primarily used in the measurement of land

Source : General Source Detail : Wikipedia, DOSM

Holding Gains

Positive or negative holding gains may accrue during the accounting period to the owners of financial and non-financial assets and liabilities as a result of a change in their prices (holding gains are sometimes referred to as "capital gains").

Source: National Accounts

Source Detail: Gross Domestics Product (GDP), DOSM

Household

Description 1

A household is defined as a person or group of related or unrelated persons who usually live together and make common provision for food and other living essentials.

Source: Labour Force and Social Statistics Source Detail: Labour Force Survey Report Malaysia, DOSM

Description 2

A household consists of related and/or unrelated persons who usually live together and make common provisions for food and other essentials of living.

Source : Prices Source Detail : Report On Household Expenditure Survey Malaysia, DOSM

Household actual final consumption

Household actual final consumption consists of the consumption goods or services acquired by individual households by expenditures or through social transfers in kind received from government units or non-profit institutions serving households (NPISHs).

Source: National Accounts

Source Detail: Gross Domestics Product (GDP), DOSM

MITI @ Your Service

APEC SECRETARIAT 2020



AIDA SAFINAZ ALLIAS DIRECTOR



SURAYA K.A. RAHMAN DIRECTOR



SHAMILAH PERUMAL SENIOR PRINCIPAL ASST. DIRECTOR



LIM KIEN PING SENIOR PRINCIPAL ASST. DIRECTOR



MOHD FAUZI MOHAMAD KUDONG PRINCIPAL ASST. DIRECTOR



MULYATI AFIZA MUTALIB PRINCIPAL ASST. DIRECTOR



SALIZAN ABDUL AZIZ PRINCIPAL ASST. DIRECTOR



NUR AZZA HJ. ABDUL AZIZ SENIOR ASST. DIRECTOR



ALIFF ASYRAF ABU ASST. DIRECTOR



AFDHAL ALAWI ASST. DIRECTOR



VILASINY SELVAM ASST. DIRECTOR



NURRUL AQILAH MOHAMED SABRI ASST. DIRECTOR



NUR HANISAH MOHD AYAT ASST. DIRECTOR



NOR AZILA OSMAN ADMINISTRATIVE ASST.



SITI AISYAH YAAKOB ADMINISTRATIVE ASST.



NOR MAISARAH MOHD SAIDIN ADMINISTRATIVE ASST.



ZULZAIDI MOHMUD OPERATIONAL ASST.



FAZAROL HUSNI HALIM OPERATIONAL ASST.



AHMAD AFIQ AZMI OPERATIONAL ASST.



AHRUNSELVAN A/L GOPAL OPERATIONAL ASST.

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NEXT AWARD CYCLE



ANUGERAH KECEMERLANGAN INDUSTRI (AKI) 2019/2020

NOMINATIONS OPENING SOON

Read More on AKI

For more information, kindly click the following links: https://www.miti.gov.my/index.php/pages/view/aki?mid=535



CALLING INTERESTED APPLICANTS TO APPLY FOR GRANT
UNDER RMK-11 HIGH VALUE ADDED COMPLEX PRODUCT
DEVELOPMENT PROGRAMME (PDP) AND MARKET
DEVELOPMENT PROGRAMME (MDP)

>

CLICK HERE FOR MORE INFORMATION

For more information, kindly click the following links: http://www.miti.gov.my/index.php/pages/view/4761Vintage English.pdf



For more information, kindly click the following links: https://www.miti.gov.my/index.php/pages/view/industry4WRD



For more information, kindly click the following links: https://www.miti.gov.my/index.php/pages/view/industry4WRD?mid=559#tab 547 2202



Blow the whistle, help fight fraud, bribe and corruption



Whistleblower Protection Act 2010 (Act 711)

Contact Mr. Huzaimi Hashim (MITI Investigation Officer) huzaimi@sprm.gov.my / 03-6200 0039



MITI & AGENCIES ADOPT AND IMPLEMENT NO GIFT POLICY

Thank you for helping us in ensuring the success of this policy.





Tentative Schedule for MITI Pocket Talks 2019

NO	DATE	VENUE	TOPIC	
1	18 July (Thursday)	MITI Pahang		
2	22 August (Thursday)	MITI HQ (SEMINAR 1)	Introduction to FTA & Preferential Certificate of Origin (PCO)	
3	19 September (Thursday)	MITI PERAK		
4	17 October (Thursday)	MITI HQ (SEMINAR 1)		
5	14 November (Thursday)	MITI KELANTAN		



a month



Tower Kuala Lumpur **MITI Regional Offices**



Free of Charge with light refreshments

For more information, please contact the Secretariat



03-6200 0468/69/57



allaki@miti.gov.my

DASAR ANTI RASUAH MITI



MITI komited dalam melaksanakan semua polisi dan prosedur bagi mencegah, memantau dan menghapuskan sebarang bentuk rasuah kepada semua anggota kerja dan aktiviti MITI dan perhubungannya dengan pihak-pihak yang berkepentingan ke arah penyampaian perkhidmatan yang cekap dan berintegriti selaras dengan visi dan misi MITI serta aspirasi Negara.

Klik pautan untuk maklumat lanjut:

https://www.miti.gov.my/miti/resources/%20Banner%20Announcement%202019/Dasar ABMS MITI - Sign KSU.pdf





Setiap pegawai/kakitangan MITI TIDAK BOLEH MENERIMA, sama ada secara peribadi atau menerusi anggota keluarga atau kenalan lain apa-apa hadiah, keraian, manfaat atau layanan luar biasa kecuali yang dibenarkan oleh mana-mana peruntukan undang-undang, dasar dan garis panduan yang berkuat kuasa.

HADIAH HANYA BOLEH DITERIMA TERTAKLUK KELULUSAN KETUA JABATAN

Klik pautan untuk maklumat lanjut:

https://www.miti.gov.my/miti/resources/%20Banner%20Announcement%202019/eposterDASARPEMBERIANPENERIMAHADIAH-1.jpg



In conjunction with the 62nd World Statistics Congress (WSC) of the International Statistical Institute (ISI) 62nd ISI WSC 2019 Malaysia will organize the World Stats Run 2019!

Register at: http://www.racexasia.com/event/world-stats-run-2019/



For more information, kindly visit:

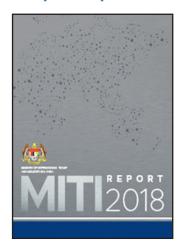
https://www.dosm.gov.my/v1/index.php?r=column/cone&menu_id=N0FVaDR4Y1hGMk1NNi9jS2ZQRFFLZz09#



For more information, kindly visit http://www.isi2019.org/

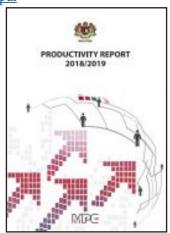
MITI Report 2018 is available for download through MITI Website at:

https://www.miti.gov.my/miti/resources/MITI%20Report/MITI_Report_2018.pdf



Productivity Report 2018/2019 is available for download at:

http://www.mpc.gov.my/wp-content/uploads/2019/06/ MPC-PRODUCTIVITY-REPORT-FULL-REPORT-2018-2019.pdf



YOUR VIEWS MATTER!

PARTICIPATE IN THE MITI PORTAL SURVEY

(14 June - 14 July 2019)

Our quick survey should not take more than 5 minutes of your time.

Take the survey now!!



MITI Portal Survey 2019

We are currently conducting a survey of MITI's official Portal (www.miti.gov.my) to identify if it meets your expectations in terms of design, contents and functionality. There are 10 questions in this survey and it should take you between 2 to 5 minutes to complete.

You may choose to answer the survey in English or Bahasa Melayu.

This survey is open until **14 July 2017 (Sunday)**. Please be assured that the information provided will be used solely for the purpose of this survey. Your feedback is important for us to enhance the Portal and serve you better.

*Note: Feel free to forward the survey links to your colleagues.

Thank you for your participation.

MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from **Gallery of Malaysian Government Mobile APPs (GAMMA)** at the link: http://gamma.malaysia.gov.my/#/appDetails/85



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