

IMPLEMENTING EXPORT PROMOTION POLICIES – EXPERIENCE OF MALAYSIA



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1) OVERVIEW OF MALAYSIA

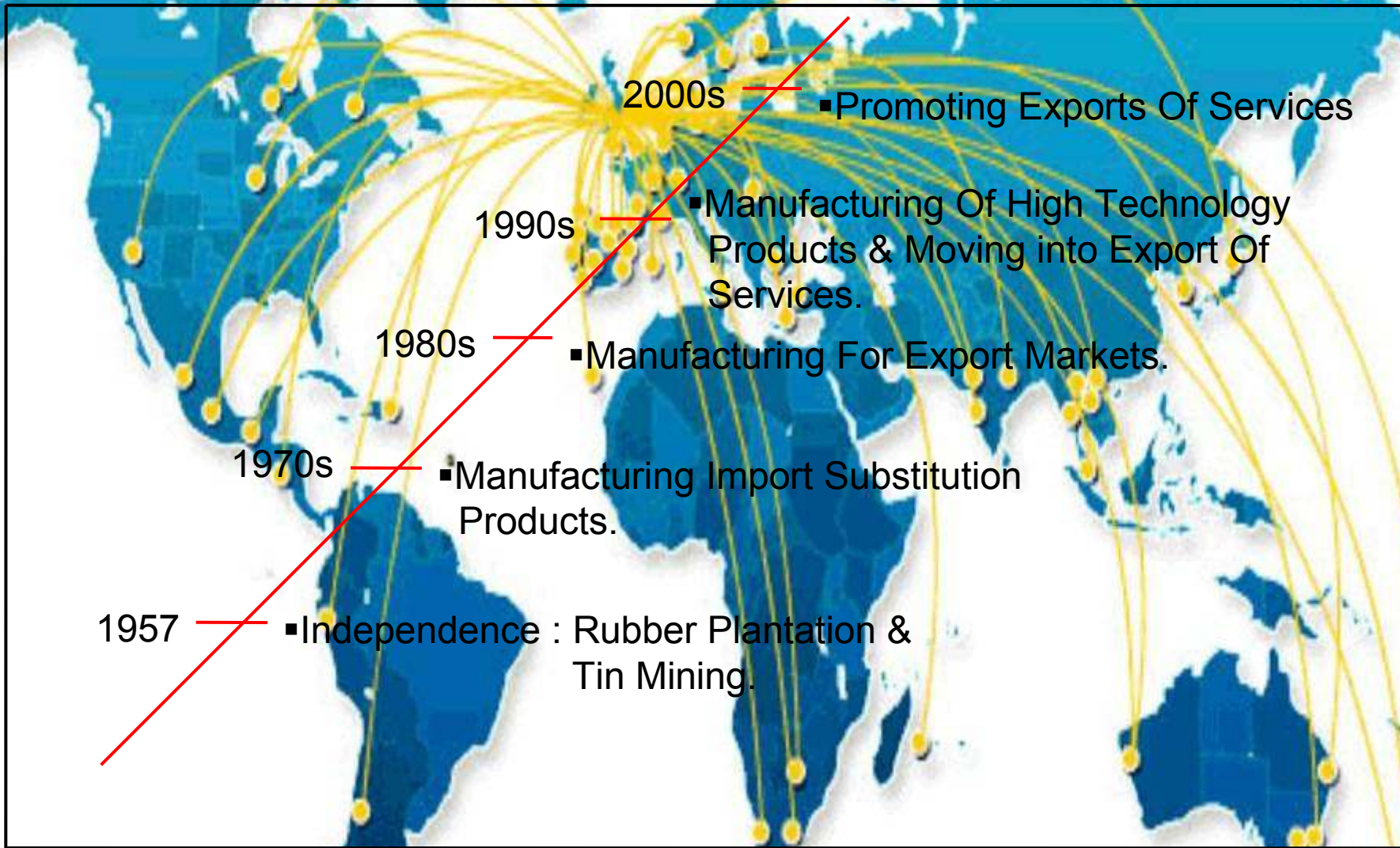


LOCATION:



- located in South East Asia
- between Thailand in the north and Indonesia, in the south

MALAYSIA INDUSTRIAL GROWTH





MINISTRY OF INTERNATIONAL TRADE & INDUSTRY MALAYSIA (MITI)



- Ministry of Commerce and Industry – established in April 1956
- Renamed - Ministry of Trade and Industry in Feb 1972
- Ministry was separated into two ministries on 27 Oct 1990
 - Ministry of International Trade and Industry (MITI)
 - Ministry of Domestic Trade and Consumer Affairs (KPDN)
- Export Promotion was handled by a unit called MEXPO

2) MALAYSIA EXTERNAL TRADE DEVELOPMENT CORPORATION (MATRADE)

ESTABLISHMENT

Act of Parliament,
Malaysia External
Trade
Development
Corporation Act
1992

OPERATIONAL

Since March 1993

ROLE

The National Trade
Promotion Agency
under the Ministry
of International
Trade and Industry
(MITI)



Menara MATRADE,
 Jalan Khidmat Usaha, Off Jalan Duta,
 Seksyen 10, Jalan Tun Razak,
 Kuala Lumpur.
 Tel: 603-6207 7077
 Fax: 603-6207 7078

MALAYSIA EXTERNAL TRADE DEVELOPMENT CORPORATION (MATRADE)



Vision and Mission

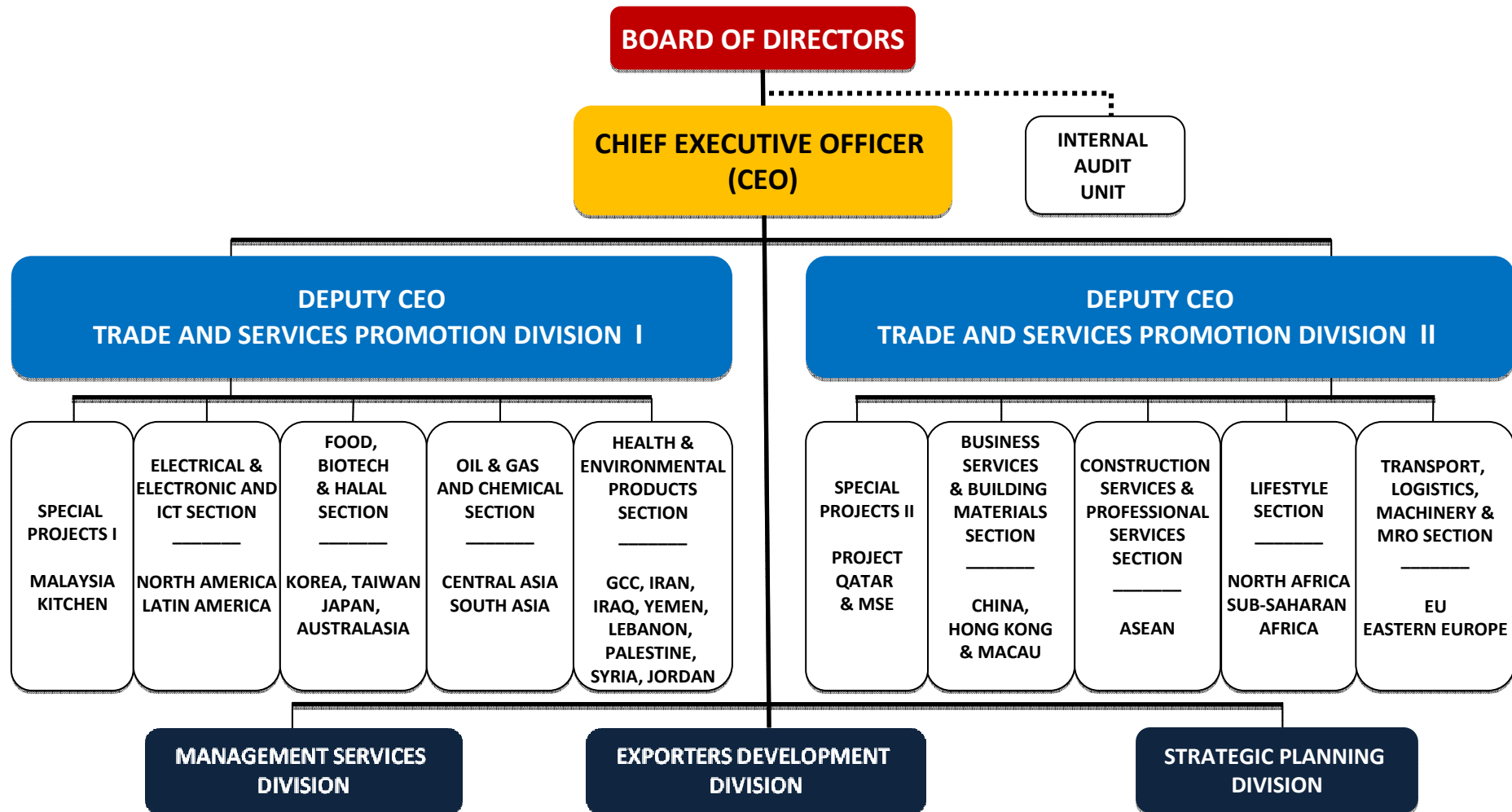
VISION

Positioning Malaysia as a
Globally Competitive Trading Nation

MISSION

Promoting Malaysia's
Enterprises to the World

Organisation Structure



Global Network



Regional Offices



MATRADE

Functions and Services



Export Promotion



Local and Overseas International Trade Exhibitions

Trade Missions

Promotion Booths

Specialised Marketing Missions (SMM)

Incoming Buying Missions (IBM)

In-store Promotion

Participation in Conferences

Joint Trade Promotion

Special Projects

Exporters Development

Exporters Database

Seminars, Workshops and Briefings

Hand-Holding Programmes

Dialogue with industry associations and Malaysian exporters

Market Development Grant (MDG)

Hand-holding Programme

Aim:

- Assist SMEs to develop the necessary skills and knowledge to penetrate and further expand their export markets.

Programme:

- Company with export potential are selected to join programme
- Company will be closely guided for 3 years to help them export
- Activities : export promotional activities, training, seminars and visitation programmes
- provide market and product consultation
- Company allowed to participate in 3 events organised by MATRADE for 3 years



Trade Advisory Services

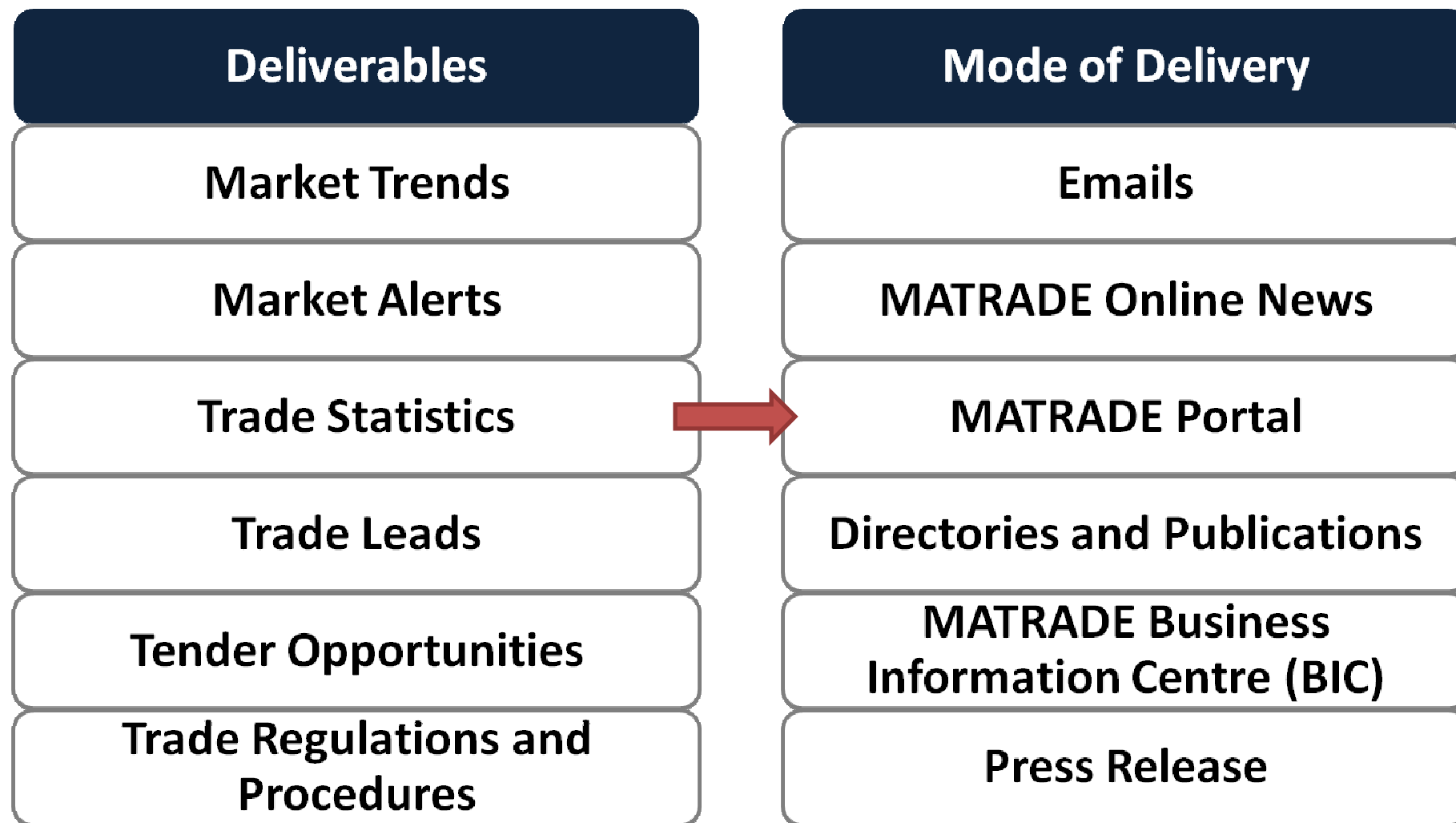
Help Desk

Trade Advisory Services

**Briefing and Business Consultation
sessions nationwide**

Free Trade Agreement (FTA) Focal Point

Trade and Market Information



Trade and Market Information

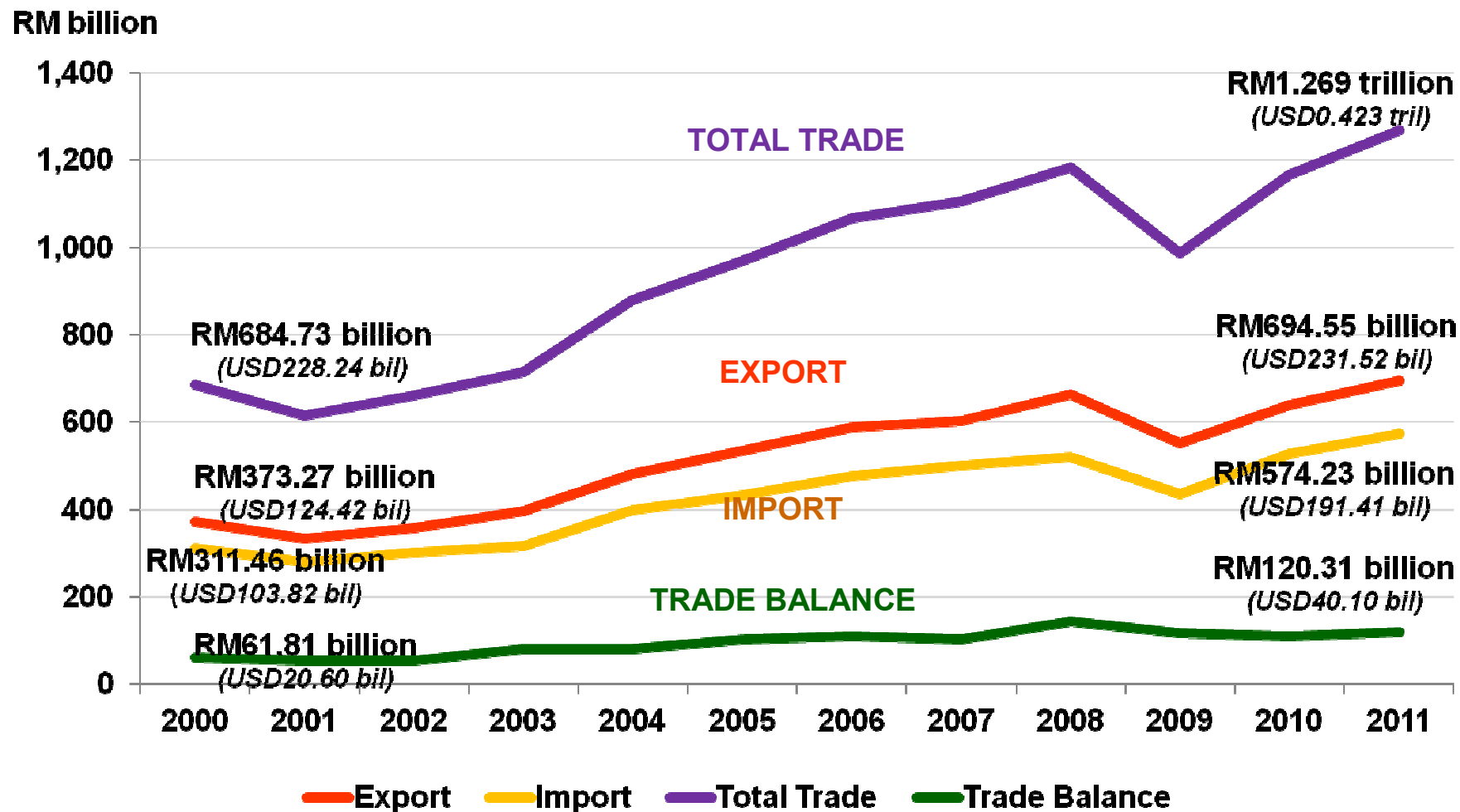
MATRADE Portal



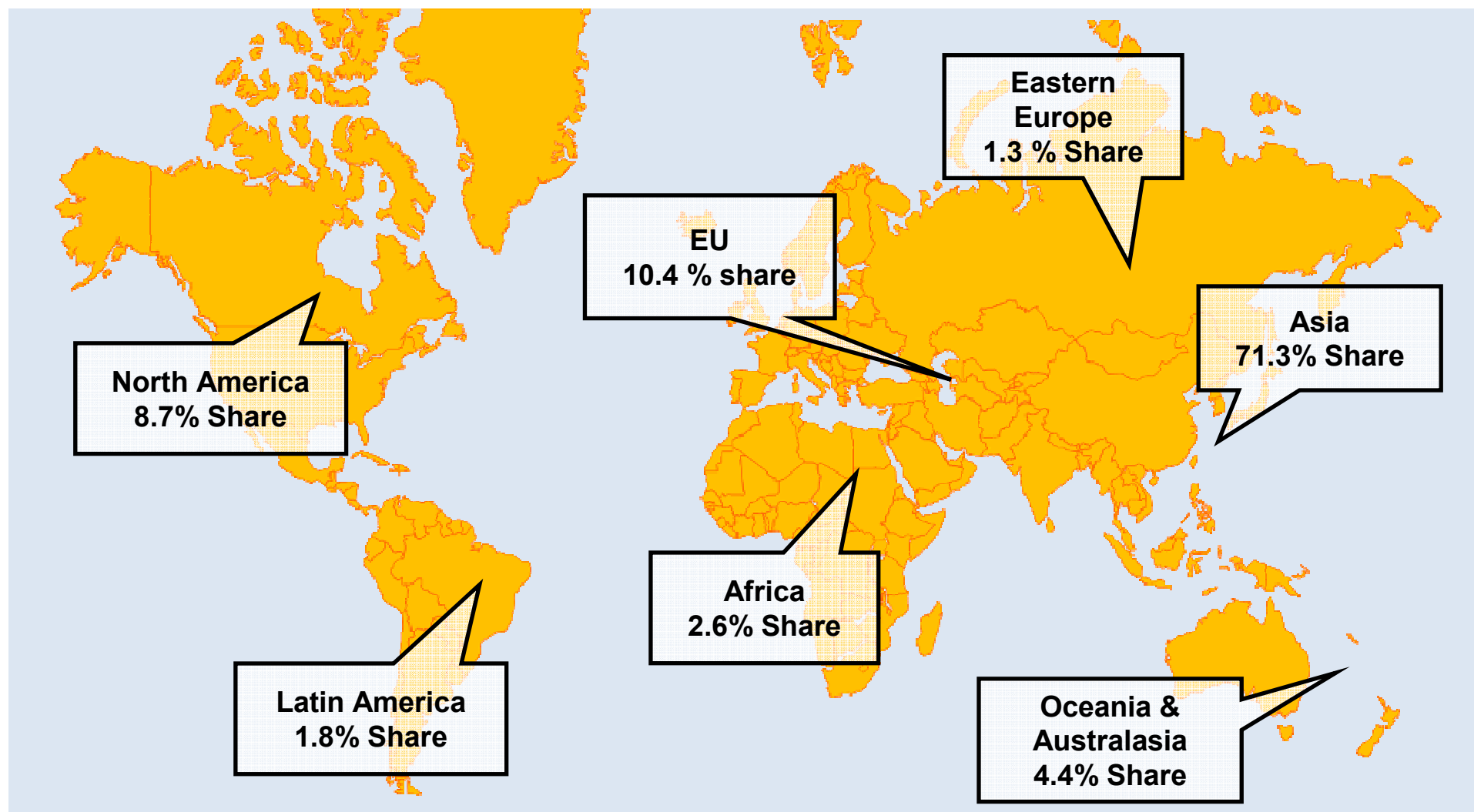
3) MALAYSIA'S TRADE PERFORMANCE



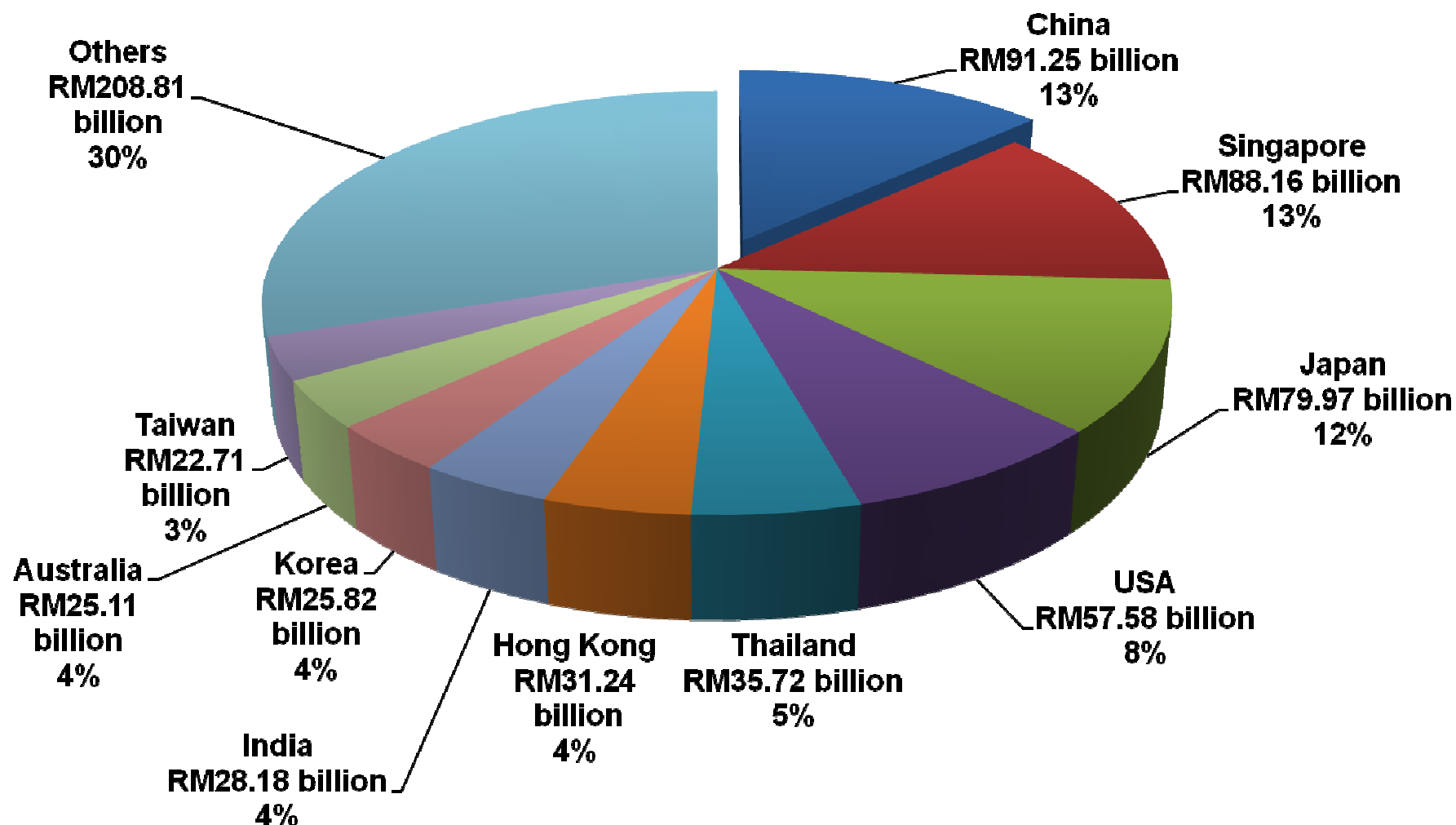
MERCHANDISE TRADE : 2000 - 2011



Exports by Major Regions

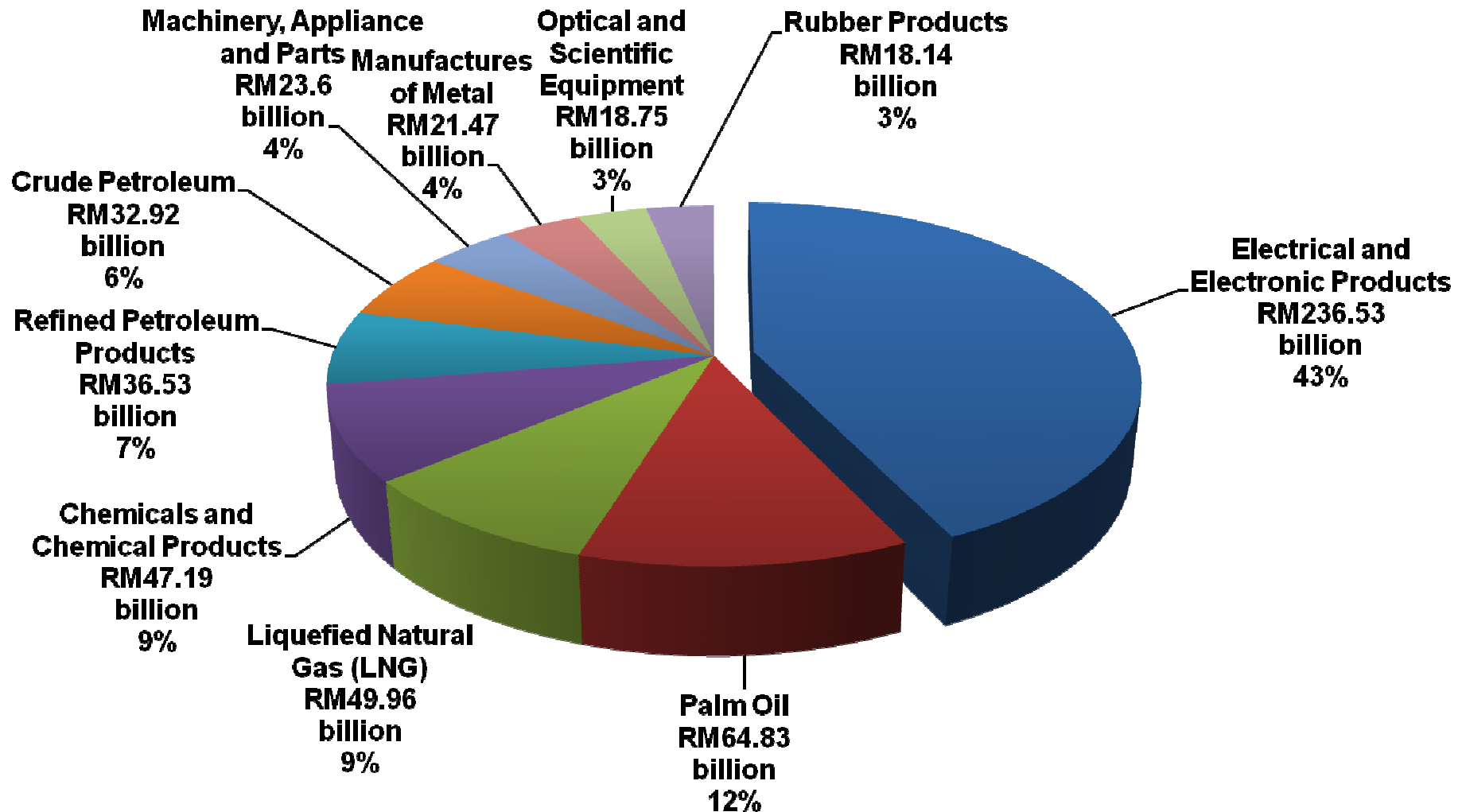


Exports by Major Countries



TOTAL EXPORTS 2011: RM649.55 BILLION (USD216.52 BIL) Compiled by : MATRADE

Exports by Major Products

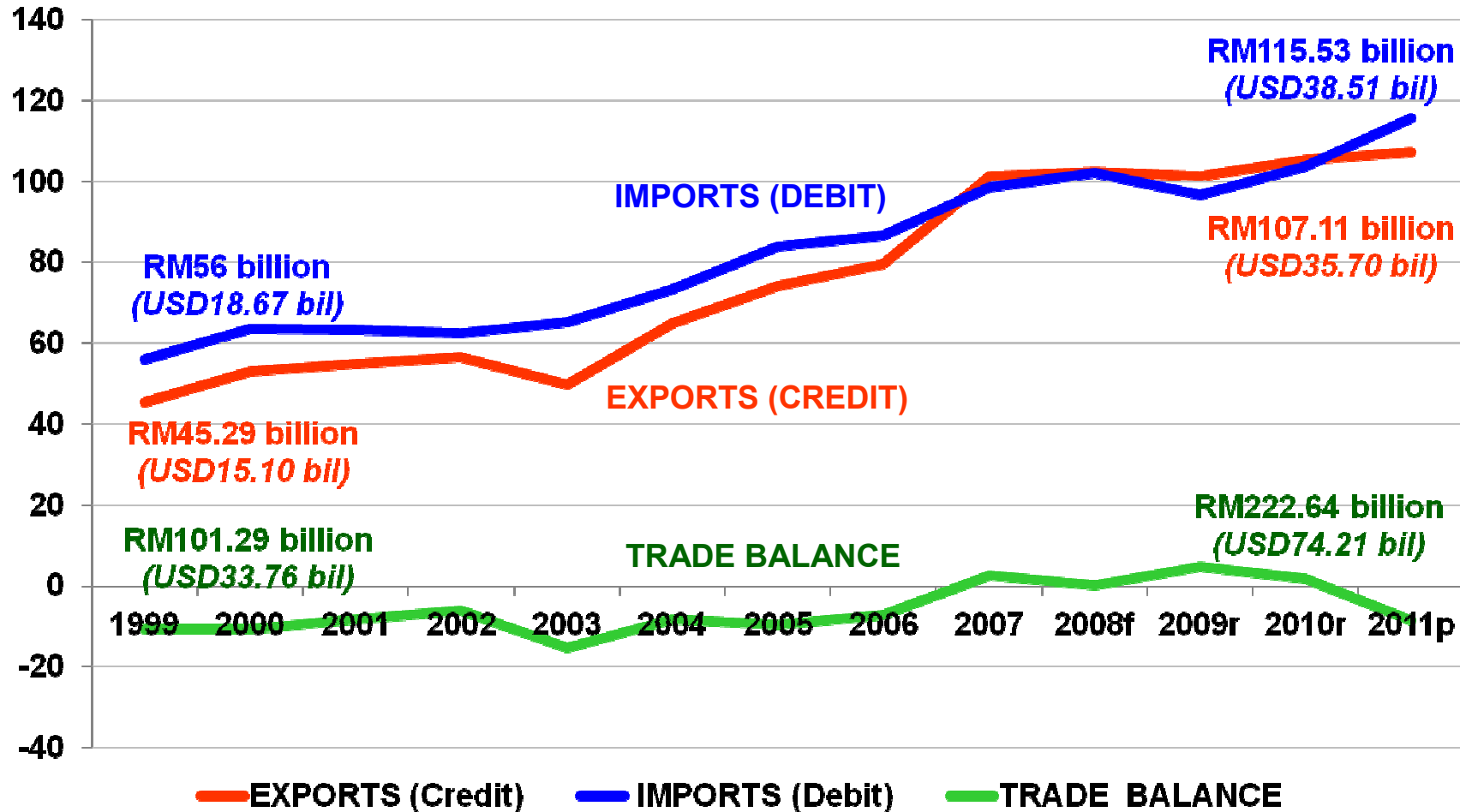


TOTAL EXPORTS 2011: RM649.55 BILLION (USD216.52 BIL)

Trade in Services: 1999 – 2011



RM billion



Types of Services Exported

- Construction
 - Building, Infrastructure -Road, Bridges,
 - Facility Management, Water Treatment, Power Generation
 - Waste Disposal
- Professional Services (Engineering, Architectural, Consultation, etc), Accounting
- Healthcare
- Education
- Franchise
- Oil & Gas



4) STRATEGIC PARTNERS - INDUSTRIAL DEVELOPMENT & EXPORT PROMOTION

Government Sector

Ministry of
Agriculture and
Agro-based
Industry (MoA)

Technology Park
Malaysia (TPM)

Farmer's
Organization
Authority Malaysia
(LLP)

National Savings
Bank (BSN)

Standards &
Industrial Research
Institute of
Malaysia (SIRIM)

Malaysia Timber
Council (MTC)

Malaysia Palm Oil
Board (MPOB)

Federal
Agricultural
Marketing
Authority (FAMA)

Construction
Industry
Development
Board (CIDB)

Malaysia Rubber
Export Promotion
Council (MREPC)

Malaysian
Agricultural
Research &
Development
Institute (MARDI)

State Government
Agencies

Private Sector

Federation of
Malaysian
Manufacturers
(FMM)

Industry and Trade
Associations

Chambers of
Commerce

Business Councils

SUPPORTING SERVICES



SME CORP MALAYSIA



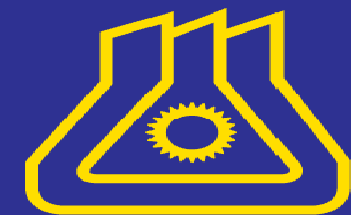
- Established on 2 May 1996.
- An agency under the MITI and is the central point of reference for information and advisory services for all SMEs in Malaysia
- Functions:
 - Coordination of policies and programmes for SMEs
 - Provide business advisory and information for SME
 - Develop competitive SMEs through capacity building programmes



STANDARDS AND INDUSTRIAL RESEARCH INSTITUTE OF MALAYSIA (SIRIM)



- Established on 1 September 1996
- National organisation for standards and quality
- Prime mover in industrial R&D & promoter of technological excellence in the Malaysian industry
- Increase international acceptance of Malaysian products and services
- Functions:
 - Develop Malaysian standards and promote standardisation and quality assurance for greater competitiveness
 - Promote and undertake scientific industrial research
 - Provide technology transfer and consultancy services



SIRIM

MALAYSIAN AGRICULTURE RESEARCH AND DEVELOPMENT INSTITUTE (MARDI)



- Established in 1971
- Involve in generating and promoting new, appropriate and efficient technologies towards the advancement of the food, agriculture, and agro-based industries
- Functions:
 - Conducts commercial research and production
 - Disseminates information and advisory services - through publication of reports, periodicals and organise conferences and lectures
 - Provides expert services such as consultancy services, laboratory analysis, quality assurance and contract R&D
 - Provides trainings to cater for the development of food, agriculture and agro-based industry



FARMER'S ORGANIZATION AUTHORITY MALAYSIA (LLP)



- Established on 14 February 1973.
- Responsible to alleviate the agro society economy and social under one umbrella/body
- Oversees farmers' organisations and agriculture based cooperatives
- Functions:
 - Boost, encourage and endeavour economic and social progress of farmer's organisations
 - Register, control and supervise Farmer's Organisations
 - Design and implement any agricultural development in Farmer's Organisations
 - Control and coordinate the implementation of activities



FEDERAL AGRICULTURAL MARKETING AUTHORITY (FAMA)

- Established on 30 September 1965
- Marketing agency for food and agriculture products
- Functions:
 - Coordinate agricultural marketing activity both in private sector or government agencies
 - Improve marketing system and expand new markets
 - Collaborate with private sector and government agencies to create efficient and effective agriculture marketing infrastructure and supply chain system
 - Enhance management efficiency in agriculture industry related to marketing activity or processing of agricultural products



TECHNOLOGY PARK MALAYSIA (TPM)



- Established on 1 September 1996
- Support development in manufacturing industries, including ICT, biotech and engineering
- Provides prime location for industries

TECHNOLOGY PARK

Functions:

- Incubate and nurture knowledge-based enterprises by providing expertise and support in technical & business skills.
- Provide handholding services comprising coaching, mentoring, consultancy & training to enhance technical entrepreneurship.
- Facilitate R&D, innovation and commercialisation activities by providing advanced infrastructure, equipment & facilities.
- Facilitate government & private sector smart partnerships in technology development & commercialisation of research results.

MALAYSIA



BANK SIMPANAN NASIONAL MALAYSIA/NATIONAL SAVINGS BANK (BSN)



- Established on 1 December 1974
- Government owned bank in Malaysia aimed to encourage savings, investments and smart financial management
- Functions:
 - Provide loans to SMEs
 - Promote savings, particularly from small savers
 - Inculcate the habit of thrift and savings



5) VENTURING INTO EXPORT MARKETS

MUHAZRIN HOLDING SDN BHD

- Established in 2010
- Brand : VIAS
- Website:

www.viasfood.com

www.muhaZRin.com



Products

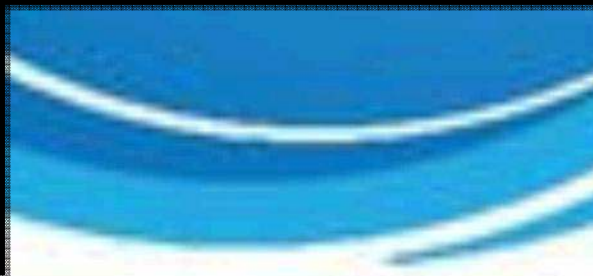
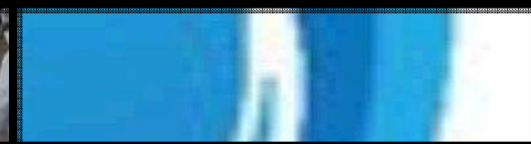
(i) Ready To Use Pure Wet Spices (packed in glass bottles)

e.g. Ginger puree, lemon grass puree, red chilli puree, turmeric puree, coconut puree, etc

(ii) Malay Ethnic Food Convenient Pack

e.g salted sour fish, hot chilli tempoyak sauce, pickled hot chili pepper, etc.







Capping Machine



Cooking Kettle



Roughness Grinder



Paste Filler



Retort



Wet Grinder



Ink jet Printer



Shrink Wrap Machine

Operation

- Started operating at Home, moved to shop lot & now operating in Technology Park Malaysia (TPM)
- TPM provides R&D support for commercialisation & product improvement
- Recipe of products from company
- Offer wide range of products, to facilitate buyers
- Source raw materials/agricultural produce from open wholesale market, FAMA & Farmer's Organisation Authority
- Company has grown - annual turnover of RM60,000 (USD20,000) in 2010 to RM360,000 (USD120,000) in 2011

How Company Started Exporting

- Attended exporter development seminars on product requirement and market organised by MATRADE
- Participated in various trade fairs in London, Malaysian Kitchen Programme & other fairs (Royal Perth Show, Consumer Fair Brunei), specialised marketing mission organised by MATRADE & Food Trade Association
- Company able to adapt to changes fast - able to make fast decision
- Obtained loan from BSN
- Participated in development and capacity building programmes organised by SME Corp

Export Markets – London, Singapore, Mauritius, Australia, US.

PAWADA FOOD INDUSTRIES SDN BHD

- Established in 1991
- Brand : PAWADA
- Website:
www.pawada.com.my



- Original black paper sauce
- Hot and spicy black paper sauce
- Chili sauce
- Dark soy sauce
- Tomato sauce
- Young coconut juice with Pulp
- Sweet corn
- Borneo pineapple
- Lemongrass in Brine
- Medals drink







- started as a grocery shop in 1986 with 2 staff
- Produced soya and tomato sauce in a small factory
- ventured into pepper based food products in 1997 - pepper is one of the famous food ingredient grown in Sarawak
- operating a factory at Sarawak Industrial area - rented from state government, with 15 workers
- Expanded - turnover of RM500,000 (USD 166,000) in 1991 and now RM1.5 million (USD 0.5 million) in 2011
- Driven by Quality oriented philosophy
 - ISO 9002 certified by SIRIM
 - Halal Certification
 - In Process of obtaining Hazard Analysis and Critical Control Point (HACCP)

Recipient of the Industry Quality Excellence Award

by SIRIM

Company Started Exporting

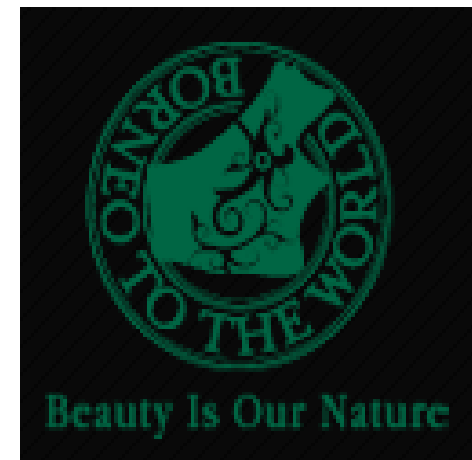
- Under MATRADE Hand Holding programme in 2004
- Attended exporter development seminars organised by MATRADE
- Participated in International Food Exhibitions such as SIAL Paris and ANUGA in Frankfurt organised by MATRADE & other exhibitions under FAMA and State government
- Work with Sarawak government, MARDI and SIRIM for R&D, Agricultural department for source of materials

Export Markets- Africa, UK (Tesco), Ireland, Singapore, Brunei, Jeddah and Arab Saudi.

BORNEO TO THE WORLD SDN BHD

- Established in 2011
- Brand : Borneo to the World
- Website:

www.borneototheworld.com



Products

- All natural bath and facial soaps, hand made with good quality, natural ingredients.
- Uses Dabai Fruit, Sago stem, Sarawak Pepper, Bario Rice and Kacangma leaf & goat's milk, which have been used by the locals of Borneo for generations containing therapeutic properties that benefit the skins.
- Common commercial soaps' ingredients like artificial colorants, fragrances and preservatives are excluded.



1) Body Bath

- **Dabai Sarawak**

- Rich in minerals and antioxidants, and is moisturizing and hydrating. Good for damaged and mature skin. Kaffir lime has energizing and rejuvenating properties.

- **Lada Sarawak**

- Rich in vitamins, minerals and antioxidants. Excellent for muscle and joint pains.

- **Beras Bario**

- Packed with minerals. Traditionally used for skin whitening, detoxifying and toning.

- **Sagu Mukah**

- Traditionally skin whitening and pigmentation remedy. Excellent as toner and gentler scrub. Kacangma is rich in minerals. It is used by mothers in Borneo after childbirth to restore strength and uterine muscle tone.

- **Beras Bario with Green Tea**
 - Packed with minerals. Traditionally used for skin whitening, detoxifying and toning. Green tea contains powerful antioxidants. Helps eliminate toxins and good for acne. Soya rich in vitamin E and natural antioxidants. Good moisturizing properties.
- **Limau Masam**
 - Kaffir Lime has energizing and rejuvenating properties.
- **Lada Sarawak with Luffa**
 - Rich in vitamins, minerals and antioxidants. Excellent for muscle and joint pains.



2) Body bath for mothers and babies

- Honey and Oat
 - Honey is antibacterial. Natural and healer rich in vitamins, minerals, amino acids and antioxidants. Oats restores moisture balance and soothes skin. Gentle exfoliation gives smooth, soft and glowing skin.

3) Facial cleanser

- Dabai Sarawak
 - Dabai is rich in minerals and antioxidants - is moisturising and hydrating. Good for damaged and mature skin.
- Lavender Geranium
 - Lavender is antibacterial. Light and pleasing aroma enhances mood and produces a sense of peace and calm. Geranium is antibacterial and deodorizing with astringent properties. Aids elimination of body odor. Enhances mood.



Pepper



Wide Range Product

Beauty Is Our Nature



BORNEO. SIMPLY ELEMENTAL.



LADA SARAWAK
Goat's milk with peppe



BERAS BARIO
Goat's milk with Bario



DABAI SARAWAK
Goat's milk with Dabai



Operation

- Started in 2010 with 2 staff and now operating with 15 staff
- Position their brand as all natural premium skin products
- Incorporate CSR elements in marketing products
 - Donate 10% of net profits from the sale of soaps made from the ingredients of Rain Forests of Borneo to Malaysian National Commission for UNESCO's Conservation Fund for the Gunung Mulu National Park, the only World Heritage Site in Sarawak.
 - Buy jungle fruits and herbs which are sustainably harvested from the Rain Forests of Borneo directly from farmers in villages in Borneo at fair prices to help improve their quality of life and economic well being.
 - Employ less fortunate members of the local community (4 persons), those with speech and hearing impairment, provide them security with stable income.

Beauty is Our Nature

- Adopt world-class standards in manufacturing processes and service deliverables
 - Factory is certified with Good Manufacturing Practices (GMP) and the ISO 9001:2008 Quality Management Systems.
 - Use Cold Process in soap making to retain and maintain the original state and constituents of the natural ingredients. The cold process is a time-consuming process - takes up to 1 month for soaps to age naturally before it can be sold, unlike other process which takes hours to age and ready for use.

Beauty Is Our Nature



How Company Started Exporting

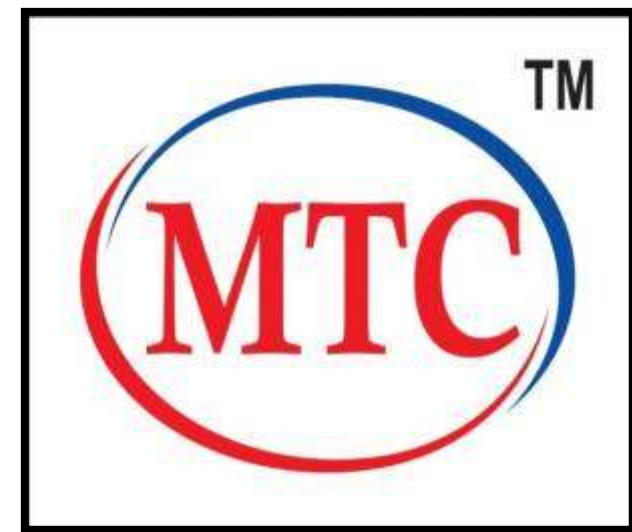
- Started from the house and now operating in a factory
- In-house R&D and supported by Agriculture Research Centre, Sarawak
- Participated in trade fairs with MATRADE
- Undertake E-commerce, radio promotion
- Outlets in airports in Malaysia

Export Markets – Singapore and whole world

Beauty Is Our Nature

MTC ADVANCE MARKETING SDN BHD

- Established in 2005
- Brand : Madu Unggul
- Website:
www.maduunggul.com.my



Products

- All types of honey
 - royal jelly
 - propolis
 - bee pollen
 - polyflora honey





MTC
Madu Unggul™
Polyfloral Honey
BEST POLIFLORA

Pure Natural Excellent



MTC
Madu Unggul™
Honey
Propolis
In
Rainforest Honey

Pure Natural Excellent



MTC
Madu Unggul™
Honey
Polyfloral
Honey

Pure Natural Excellent



MTC
Madu Unggul™
Honey
Royal
Jelly
In Rainforest Honey

Pure Natural Excellent









Operation

- Started as a trading company supplying food items.
- End of 2011 – started operating 3 honey farms in Penang.
- To date - 12 honey farms in Penang & expanding.
- Work closely with MARDI on R&D & with Agricultural and Forestry department on placement of honey boxes in selected locations.
- Honey boxes are placed in farms/lands belonging to farmers and Agricultural Department and in forests.
- Bees will feed on the surrounding habitat – flowers from fruits and flowers.
- Each honey box can produce 40 kg of honey, every month.
- Honey boxes are also sold at RM1,000 (USD 330) per box together with the queen bee and bees to individuals under contract arrangement.
- Honey produced are sold to MTC Advance Marketing.
- Factory is certified with Good Manufacturing Practices (GMP).

How Company Started Exporting

- Under MATRADE handholding programme.
- Participated in trade fairs organised by MATRADE : Canton Fair 2011(Guangzhou), Gulf Food 2012 (Dubai), Malaysia Week 2012 (Xian).
- Work closely with Penang Regional development authority (PERDA) to develop the packaging and quality.
- Attended development programmes organised by SME Corp.

Export markets - Brunei & China

THANK YOU

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