

eCOMMERCE IN MALAYSIA



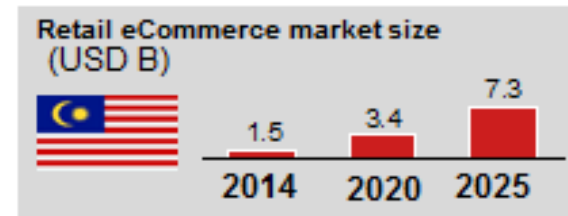
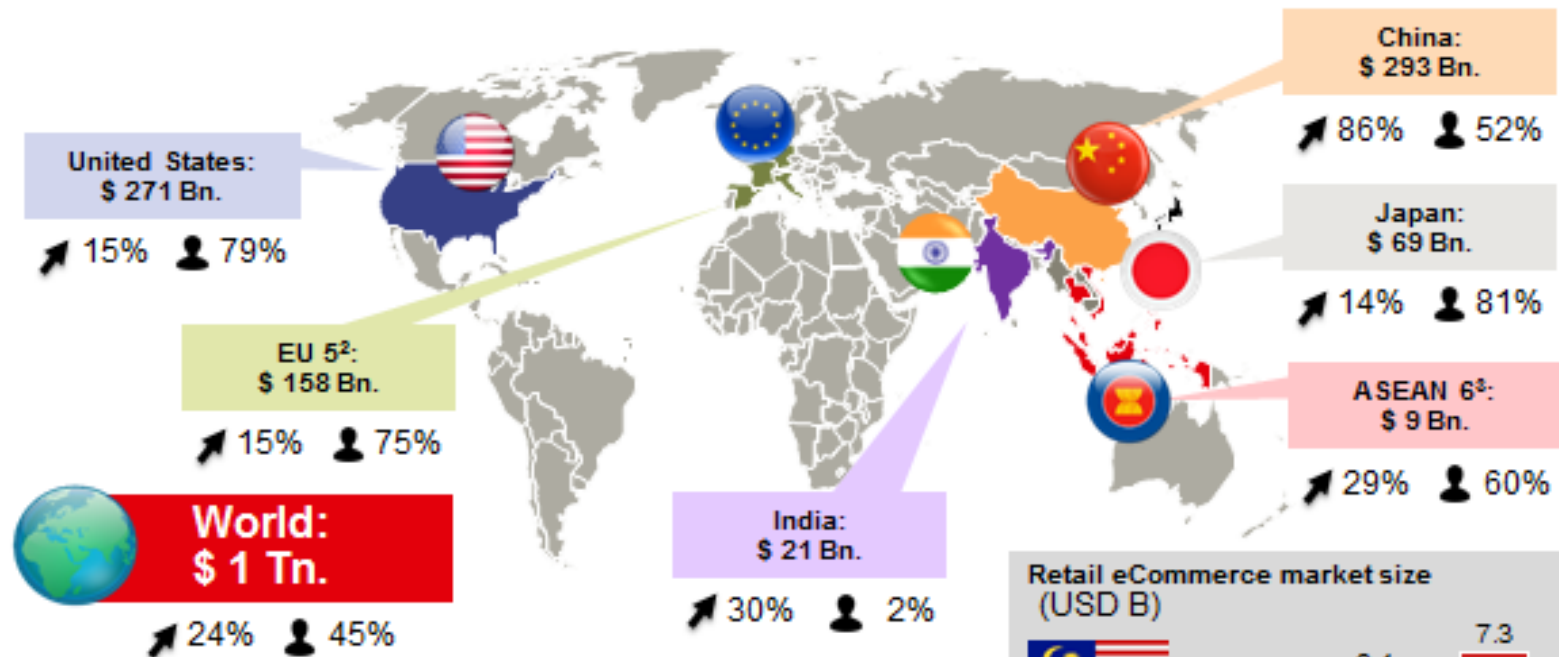
WAN SURAYA WAN MOHD RADZI
DEPUTY SECRETARY GENERAL (STRATEGY & MONITORING)
MINISTRY OF INTERNATIONAL TRADE & INDUSTRY, MALAYSIA
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STATISTICS ON eCOMMERCE

eCommerce is growing globally, Malaysia B2C eCommerce market is expected to grow to US\$ 3.4 billion by 2020

B2C eCommerce Sales Growth

(2015, USD, % sales growth compared to 2010)



\$ eCommerce Sales ↗ Sales Growth 👤 Online Buyer Penetration

1. Retail value RSP excluding sales tax
 2. Includes Germany, France, U.K., Italy and Spain
 3. Includes Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam
 Source: Euromonitor, Statista, A.T. Kearney estimates

STATISTICS ON eCOMMERCE (cont.)

eCOMMERCE CONTRIBUTION TO DIGITAL ECONOMY

2015 eCommerce's share of
National GDP



2015 National GDP
RM1,157.1B

7.3%
YoY Growth

eCommerce gross value-added to the national economy sustained at RM68.3B

79%

eCommerce share coming from non-ICT industries

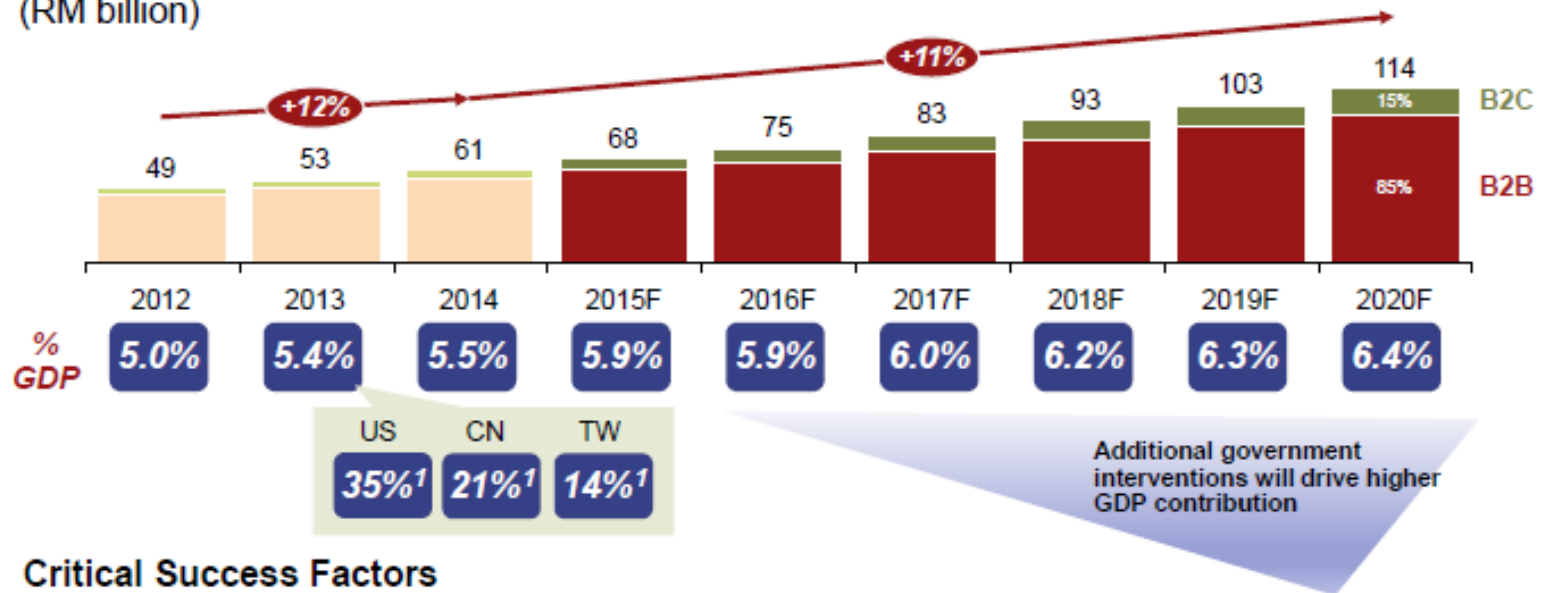
54.0
RM Billion

Value-added from non-ICT industry using e-Commerce

STATISTICS ON eCOMMERCE (cont.)

While Malaysian e-Commerce is projected to grow at 11% CAGR, there is potential to double this growth

e-Commerce GDP contribution (RM billion)



Critical Success Factors

Favorable demographic & economic trends



Ready infrastructure and ecosystem

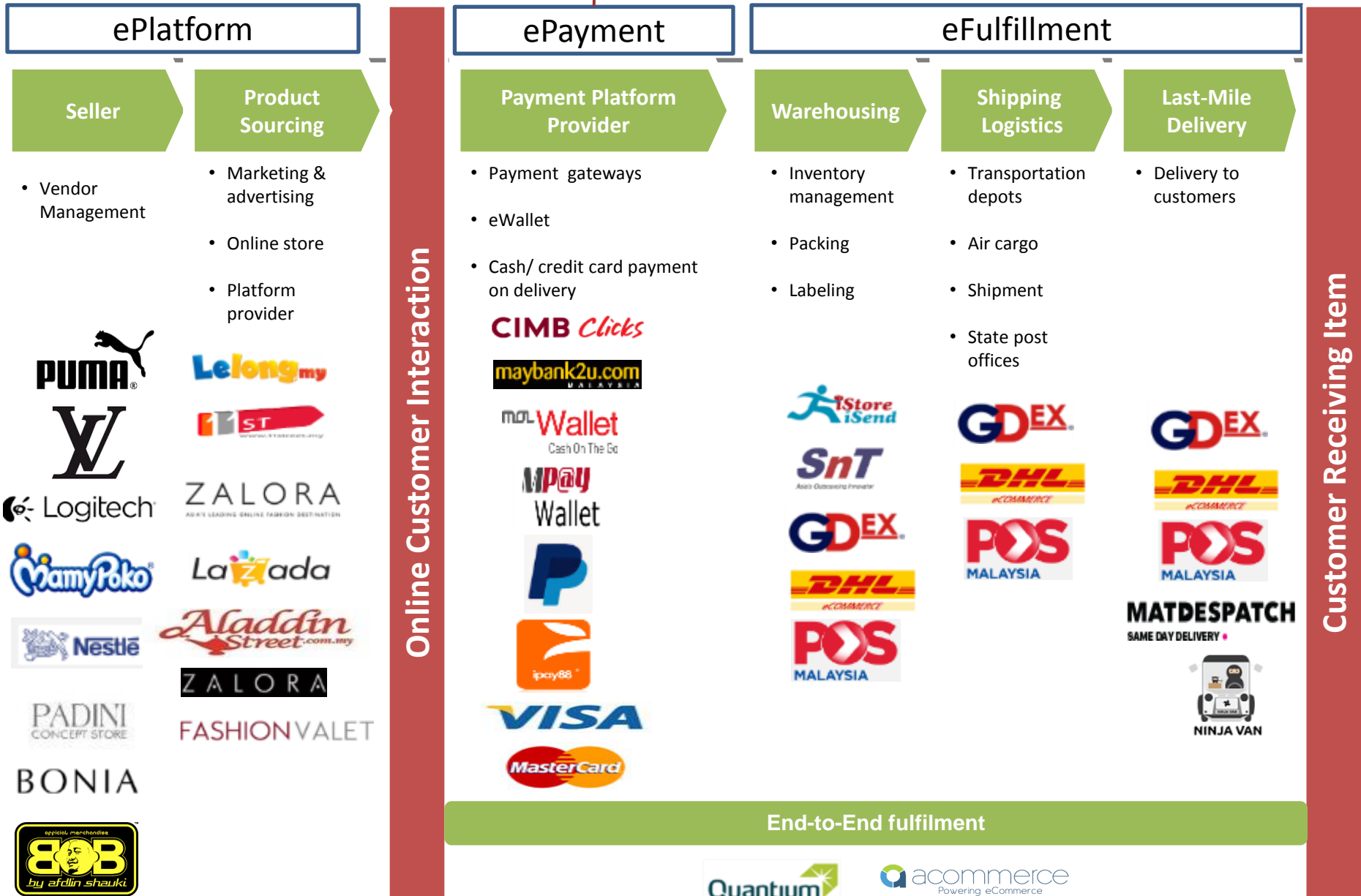


Specific government interventions



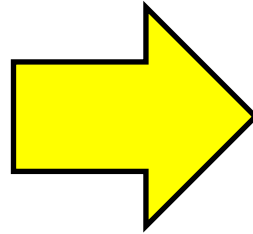
1. Calculated based on online B2B and B2C Gross Merchandise Value / GDP of countries
Sources: 2012 – 2013 data from DOSM; 2014 – 2020 data from EPU, MDeC, Euromonitor, WorldBank, A.T. Kearney analysis

eCOMMERCE VALUE CHAIN



eCOMMERCE INITIATIVES

**MORE THAN
40 eCOMMERCE
RELATED
INITIATIVES/
PROGRAMMES**



**MORE THAN 20
MINISTRIES/
AGENCIES**



eCOMMERCE PROGRAMMES & INITIATIVES

SMEs

BUSINESS ACCELERATION PROGRAMME 2.0

Provide capacity building initiatives to assist SMEs to grow their businesses locally and abroad

ePAYMENT FOR SMEs & MICROENTREPRENEURS

Increase adoption of e-Payment among micro enterprises & SMEs

MOUs

- With Paypal & eBay (to encourage SMEs to sell online)
- With Google (to encourage SMEs to go digital)

HALAL

eHalal.com

Publishing *halal* supplier and product information to buyers worldwide, through eHalal.com's B2B portal and together with partners' B2C portals



eHalal.com

eCOMMERCE PROGRAMMES & INITIATIVES (cont.)



TRADE

eTRADE

Accelerate exports by SMEs through participation in international leading marketplaces

- 11street
- DagangHalal
- Alibaba.com
- TradeIndia
- eBay
- Amazon
- JinBaoMen

DIGITAL ECONOMY

#YUUCANDUIT

Encourage Malaysians to generate income via digital platforms (education & training)

#MYCyberSALE#

Encourage SMEs to be part of eCommerce ecosystem & generating online shopping demand

#YUUCANDUIT™
Pemandukan Pendapatan Digital



eCOMMERCE PROGRAMMES & INITIATIVES (cont.)

GOVERNMENT



myGovXchange

Gateway to Government Electronic Submission and Electronic Payment

AGRICULTURE/COMMODITIES



AGRO BAZAAR

Market agro product via online platform by FAMA



MALAYSIAN RUBBER EXPORT PROMOTION COUNCIL (MREPC) MARKETPLACE

Link buyers and sellers of rubber products



eMALL@MTIB

Online platform for e-books and merchandize

eCOMMERCE PROGRAMMES & INITIATIVES (cont.)



CYBER SECURITY

Cyber 999

Avenue for Internet users to report or escalate computer security incidents

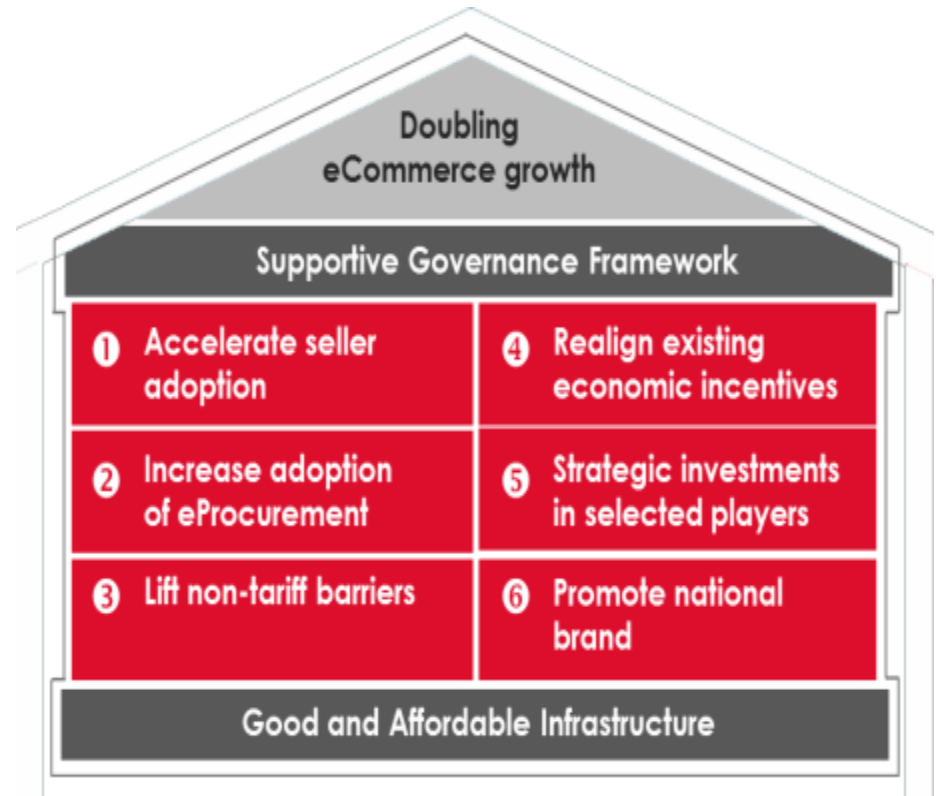
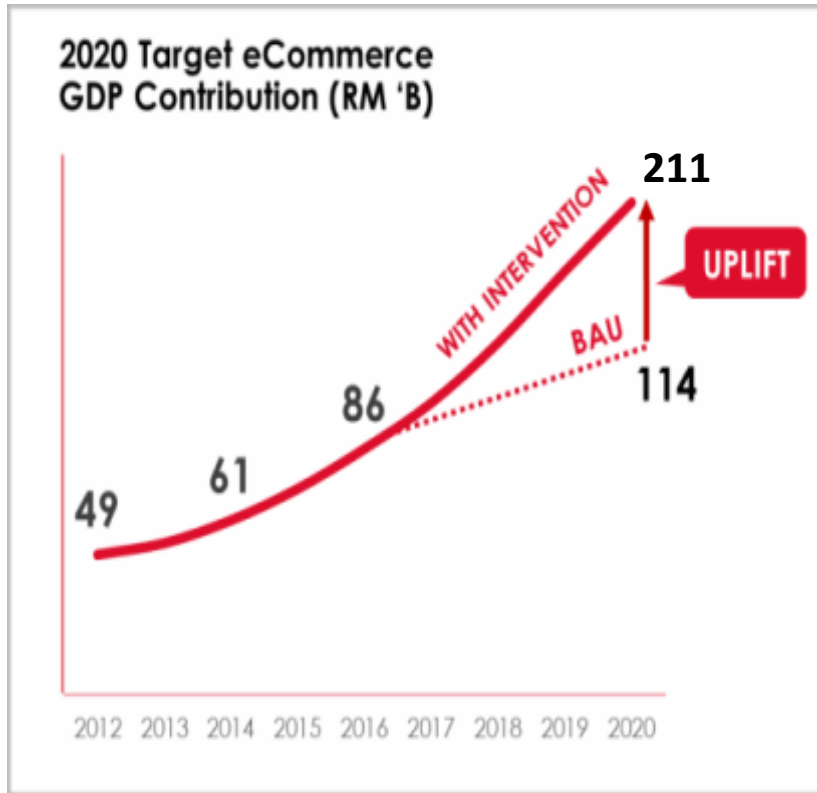


ENTREPRENEURSHIP

ONLINE NETWORKING ENTREPRENEURS **(SSEB-ONE)**

Assist entrepreneurs to register their business and sell product online

National Agenda on eCommerce To Double eCommerce Growth



📌 Establishment of the National eCommerce Council (NeCC)

📌 Formulation of the National eCommerce Strategic Roadmap (NeSR)

Launched on 13 October 2016

NATIONAL eCOMMERCE COUNCIL (NeCC)

NECC Members

- | | |
|-----------|-------------------|
| 1. MITI | 12. MAMPU |
| 2. MDEC | 13. DOSM |
| 3. MOF | 14. MOTAC |
| 4. EPU | 15. CyberSecurity |
| 5. MOHR | 16. PEMANDU |
| 6. MOSTI | 17. MATRADE |
| 7. KKMM | 18. MIDA |
| 8. KPDNKK | 19. SMECORP |
| 9. MOT | 20. HDC |
| 10. KDRM | 21. MCMC |
| 11. BNM | |

Implementation Council Meeting
(ICM)

National eCommerce Council
Chaired by MITI Minister
Joint secretariat MITI and MDEC

eCommerce Consultative Committee
(eCCC, led by MDEC)

ROLE OF THE COUNCIL

- ✓ Develop policies as well as enhance cross-border strategic plans and initiatives for the development of the Malaysian eCommerce ecosystem;
- ✓ Oversee implementation of the National eCommerce Strategic Roadmap;
- ✓ Address issues related to the eCommerce eco-system (e.g. legal environment, infrastructure, technology, standards and certifications, market access, accessibility to finance and knowledge workforce); and
- ✓ Strengthen cooperation and coordination between Ministries, agencies and industry.

eCOMMERCE AT INTERNATIONAL FORA



- WTO Work Programme on eCommerce
- WTO Moratorium on eCommerce



- APEC Committee on Trade and Investment (CTI)
- APEC Economic Committee (EC)
- APEC eCommerce Steering Group (ECSG)
- APEC Ad-Hoc Steering Group on Internet Economy (AHSGIE)



- ASEAN Work Programme on eCommerce



- Chapter on eCommerce

ENHANCING ASEAN ECONOMIC INTEGRATION THROUGH eCOMMERCE

ASEAN WORK PROGRAMME ON ELECTRONIC COMMERCE

STRATEGIC GOALS

- Harmonised consumer rights and protection laws;
- Harmonised legal frameworks for online dispute resolution, taking into account available international standards;
- Harmonised regulations and standards to facilitate cross-border transactions;
- Inter-operable, mutually recognised, secure, reliable and user-friendly e-identification and authorisation (electronic signature) schemes;
- Coherent and comprehensive frameworks for personal data protection; and
- Seamless and efficient cross-border logistics.

Thank you



Block 10, Government Offices Complex,
Jalan Duta, 50622 Kuala Lumpur, Malaysia
Tel: 603-8000 8000 | Fax: 603-6201 2337
Email: webmiti@miti.gov.my | Website: www.miti.gov.my