Campaign to increase SME exports

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PUTRAJAYA: The government aims to increase export contribution to the gross national product among small and medium enterprises (SMEs) to 23 per cent by 2020 through Malaysia External Trade Development Corp's (Matrade) Beyond Nations campaign.

International Trade and Industry Minister Datuk Seri Mustapa Mohamed said yesterday the campaign was to encourage more Malaysian SMEs to export their products.

He said the campaign aimed to communicate, educate and nurture SMEs of all levels, especially first-time exporters.

Earlier, Prime Minister Datuk Seri Najib Razak launched the Beyond Nations campaign after chairing the National Export Council (NEC) meeting.

The meeting, the third this year, deliberated on initiatives to increase exports amid the challenging global economic scenario.

Also present were Chief Secretary to the Government Tan Sri Dr Ali Hamsa, Minister in the Prime Minister's Department Datuk Seri Abdul Rahman Dahlan, Transport Minister Datuk Seri Liow Tiong Lai, Second Finance Minister Datuk Seri Johari Abdul Ghani, Treasury Secretary-General Tan Sri Dr Mohd Irwan Serigar Abdullah, Agriculture and Agro-based Industry Minister Datuk Seri Ahmad Shabery Cheek, Performance and Management Delivery Unit chief executive officer Datuk Seri Idris Jala and Permodalan Nasional Bhd chairman Tan Sri Abdul Wahid Omar.

Mustapa said Bank Negara Malaysia had highlighted developments and outlook of the country.

"For the first half of this year, the current account surplus stood at 1.2 per cent of gross domestic product compared with 3.1 per cent in the same period last year.

"The government will focus on boosting the exports of three sectors, namely health tourism, automotive and aerospace, to ensure that Malaysia continues to enjoy a healthy surplus in its current account."

He said NEC had formulated strategies to increase exports by raising competitiveness of manufacturers, encouraging product diversification and amplifying export promotion in high-potential markets.

"This year, Malaysia exported auto parts and components worth RM9.8 billion and imported RM11.7 billion of these products. We aim to reduce the deficit by half by 2020."

Mustapa said exports of aircraft and associated equipment amounted to RM4.2 billion, while imports were at RM10 billion.

"This is a deficit of RM6 billion because we don't manufacture aircraft, but we export aircraft parts."

He also said the government aimed to generate revenue of RM2.8 billion from healthcare travellers, with a stretch target of RM4 billion, by 2020.

Other strategies include increasing the use of local products and services in mega construction projects and reducing the regulatory burden for logistics and trade facilitation.

Mustapa said Bank Negara would carry out a study on how to increase the usage of local products and services to 70 per cent in mega construction projects.

He said several measures had been implemented to ensure that logistics and trade regulations were conducive to trade, which included improving the standard operating procedures on movement of goods.

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