



About MATRADE

Malaysia External Trade Development Corporation

MATRADE's Functions & Services



- ✓ Market Trends
- ✓ Trade Statistics
- ✓ Trade Opportunities
- ✓ Market Alerts
- ✓ Trade Leads
- ✓ Trade Regulations & Procedures



- ✓ International Trade Exhibitions
- ✓ Trade Missions
- ✓ Incoming Buying Missions (IBM)
- ✓ Specialised Marketing Missions (SMM)
- ✓ Mid Tier Programme
- ✓ Go-Ex Programme

- ✓ Help Desk
- ✓ Briefing and Business Consultation sessions nationwide
- ✓ Free Trade Agreement (FTA) Focal Point
- ✓ Trade Advisory Services

- ✓ Exporters Database (MER)
- ✓ Seminars, Workshops and Briefings
- ✓ Women Exporters Development Programme (WEDP)
- ✓ Bumiputera Exporters Development Programme (BEDP)
- ✓ Dialogue with industry associations and Malaysian exporters
- ✓ Market Development Grant (MDG)
- ✓ Services Export Fund (SEF)

GLOBAL NETWORK

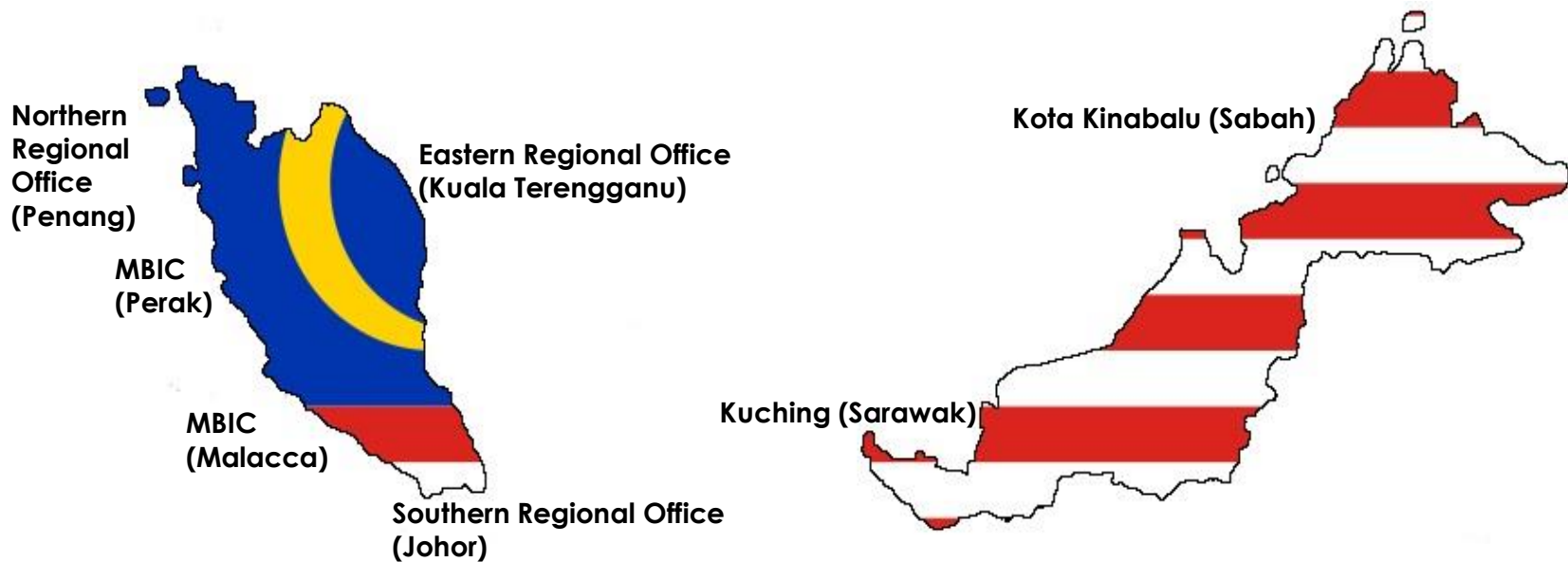


SUMMARY OF MATRADE OFFICES BY REGION

| | |
|-----------------|----|
| North America | 4 |
| Latin America | 4 |
| Western Europe | 5 |
| Eastern Europe | 6 |
| Africa | 3 |
| Asia | 21 |
| West Asia | 2 |
| North East Asia | 10 |
| ASEAN | 6 |
| Australasia | 1 |
| South Asia | 2 |

- 36 Trade Offices
- 10 Marketing Offices

REGIONAL OFFICES



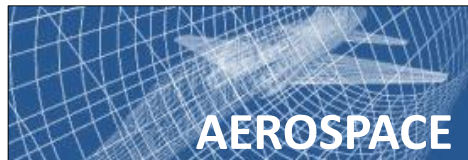
| SUMMARY OF MATRADE REGIONAL OFFICES | |
|-------------------------------------|---|
| West Malaysia | 5 |
| East Malaysia | 2 |

- 5 Regional Offices
- 2 MATRADE Business Information Centre (MBIC)



2015 MATRADE Export Promotion Programmes

2015 Export Promotion Programme



**S
E
C
T
O
R
S**

116
Activities

**M
A
R
K
E
T
S**



RM 36
Billion

Targeted Sales

2,355
Targeted Companies

2015 Services Export Promotion Programmes



Total **53** Export Promotion Programmes for Services Sectors
in **29** Countries

7

Malaysia Services Exhibition (MSE)

Myanmar (3), Qatar, Saudi Arabia, Vietnam and Malaysia

11

Oil & Gas

Saudi Arabia, Vietnam, USA, (Kazakhstan & Azerbaijan), (Indonesia & Timor-Leste), (Venezuela & Brazil), UAE, UK, Myanmar, Bangladesh and Malaysia

5

Construction & Construction Related Services

Myanmar, Cambodia, Indonesia, Vietnam, (Tanzania & Mozambique)

2

Business Services

Saudi Arabia and UAE

4

Electrical & Electronics and ICT

Indonesia, Thailand, Myanmar and UAE

9

Transport, Logistic, Machinery and MRO

Germany, Singapore, France, Indonesia, (UAE & Oman), (UAE, Saudi Arabia & Qatar), Indonesia and Malaysia (2)

2

Health and Environmental Services

UAE and Malaysia

13

Cross Border

Myanmar, Indonesia, Russia, Guinea, Turkey, Papua New Guinea, Saudi Arabia, UAE, (Myanmar, Indonesia, Tatarstan, Uganda & Tanzania) and Malaysia (4)

HAND-HOLDING PROGRAMMES FOR ALL

For SMEs

**GO-EX
Programme**

For Mid-Tier
Companies

**MID-TIER COMPANIES
DEVELOPMENT
PROGRAMME**

For SMEs

**eTrade
PROGRAMME**

For Bumiputera
Companies

**BUMIPUTERA
EXPORTERS
DEVELOPMENT
PROGRAMME**

For Women
Companies

**WOMEN EXPORTERS
DEVELOPMENT
PROGRAMME**

For Youth
Companies

**YOUTH
EXPORTERS
DEVELOPMENT
PROGRAMME**

Contribution of Services Sectors to Malaysian Economic

Ranking in World Commercial Services Trade



Malaysia's Ranking in WTO World Commercial Services Trade

| | Export Destination | Import Source | Trading Partner |
|------|--------------------|---------------|-----------------|
| 2014 | 32 | 29 | 29 |
| 2013 | 30 | 29 | 29 |
| 2012 | 31 | 29 | 29 |

WTO World Exports of Commercial Services Trade Ranking - Asia

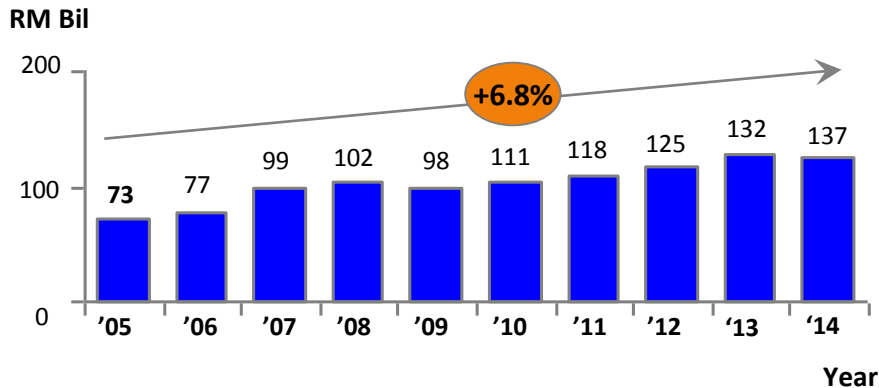
| COUNTRY | 2014 | 2013 | 2012 |
|---------------|------|------|------|
| Singapore | 11 | 9 | 9 |
| Hong Kong SAR | 15 | 15 | 16 |
| Korea, Rep | 16 | 16 | 15 |
| Australia | 26 | 25 | 23 |
| Malaysia | 32 | 30 | 31 |

Source: WTO Database as of 4th June 2015

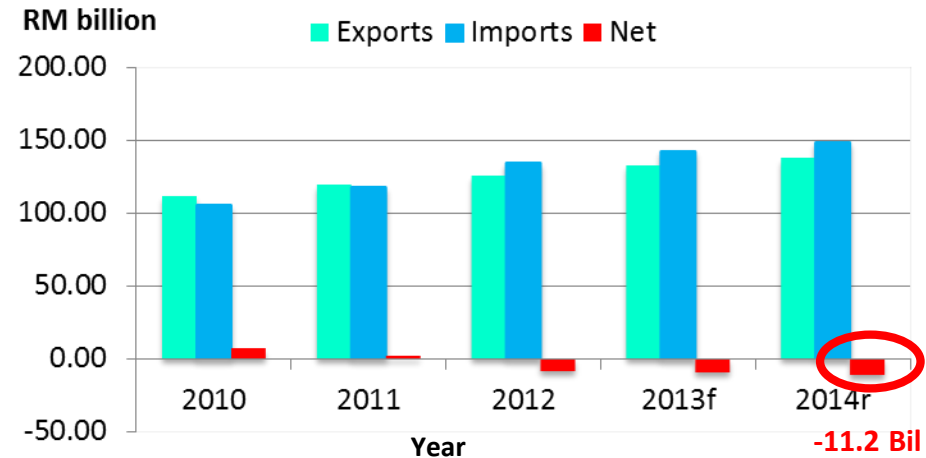
Services Sector has been recording trade deficit for the last 3 years...



Services Sector export has been growing in the past...



...however, net trade of services started to decline since 2012



Export of Services in 2014 - Sectors Recorded Increase

| | |
|---|---------|
| Personal, cultural, and recreational services | + 45.1 |
| Maintenance & Repair | + 21.5% |
| Travel | + 9.2% |
| Manufacturing services on physical inputs owned by others | + 6.9% |
| Transport Services | + 6.2% |
| Insurance and pension services | + 5.0% |

Export of Services in 2014 - Sectors Recorded Decrease

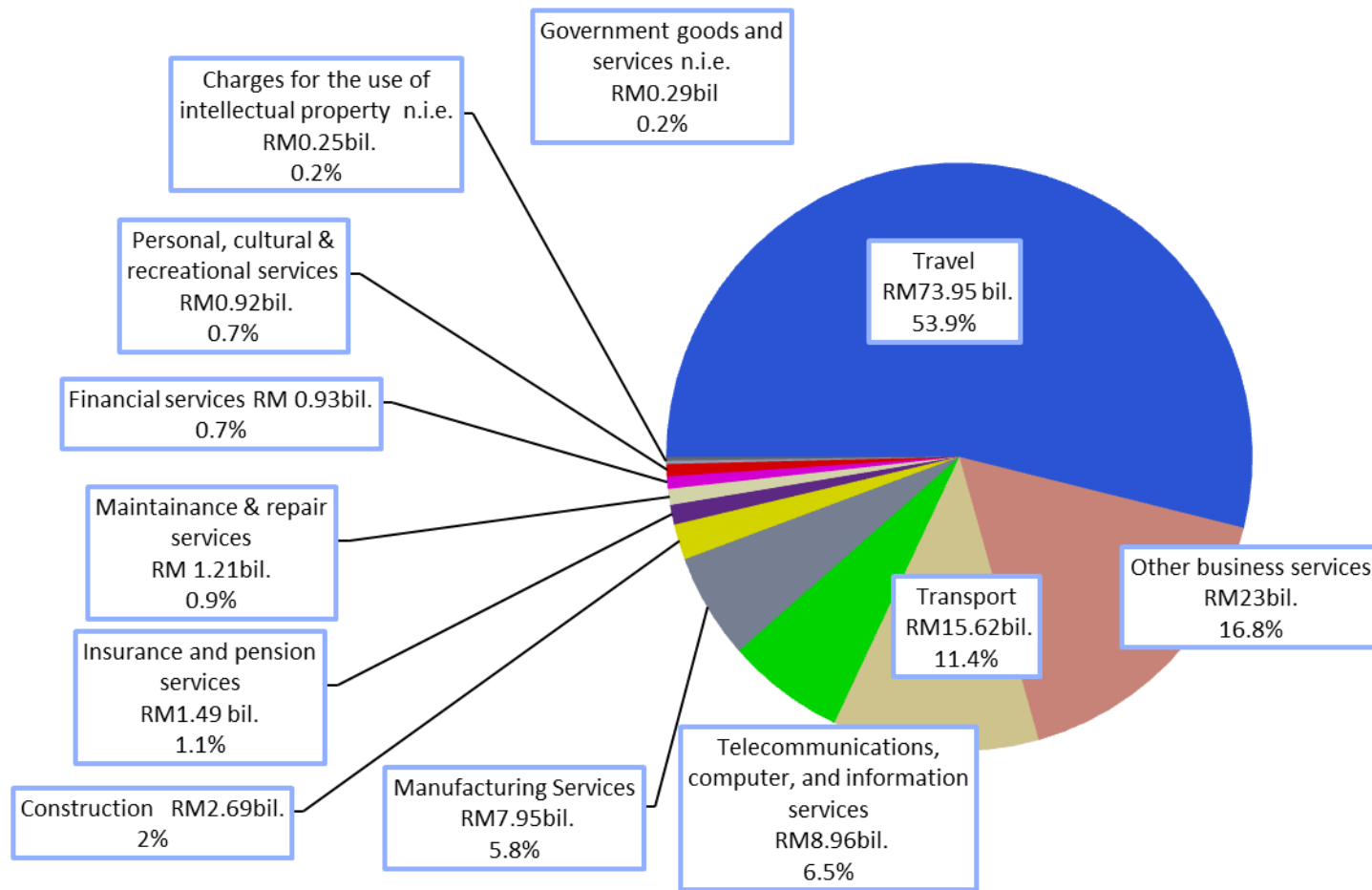
| | |
|--|---------|
| Telecommunication, computer & Information | - 0.4% |
| Financial Services | - 6.8% |
| Other Business Services | - 11.1% |
| Charges for the use of intellectual property | - 27.7% |
| Construction | - 16.9% |

Source: DOSM Balance of Payment (BoP)

Composition of Services Exports in 2014



Total Exports: RM137.26 billion

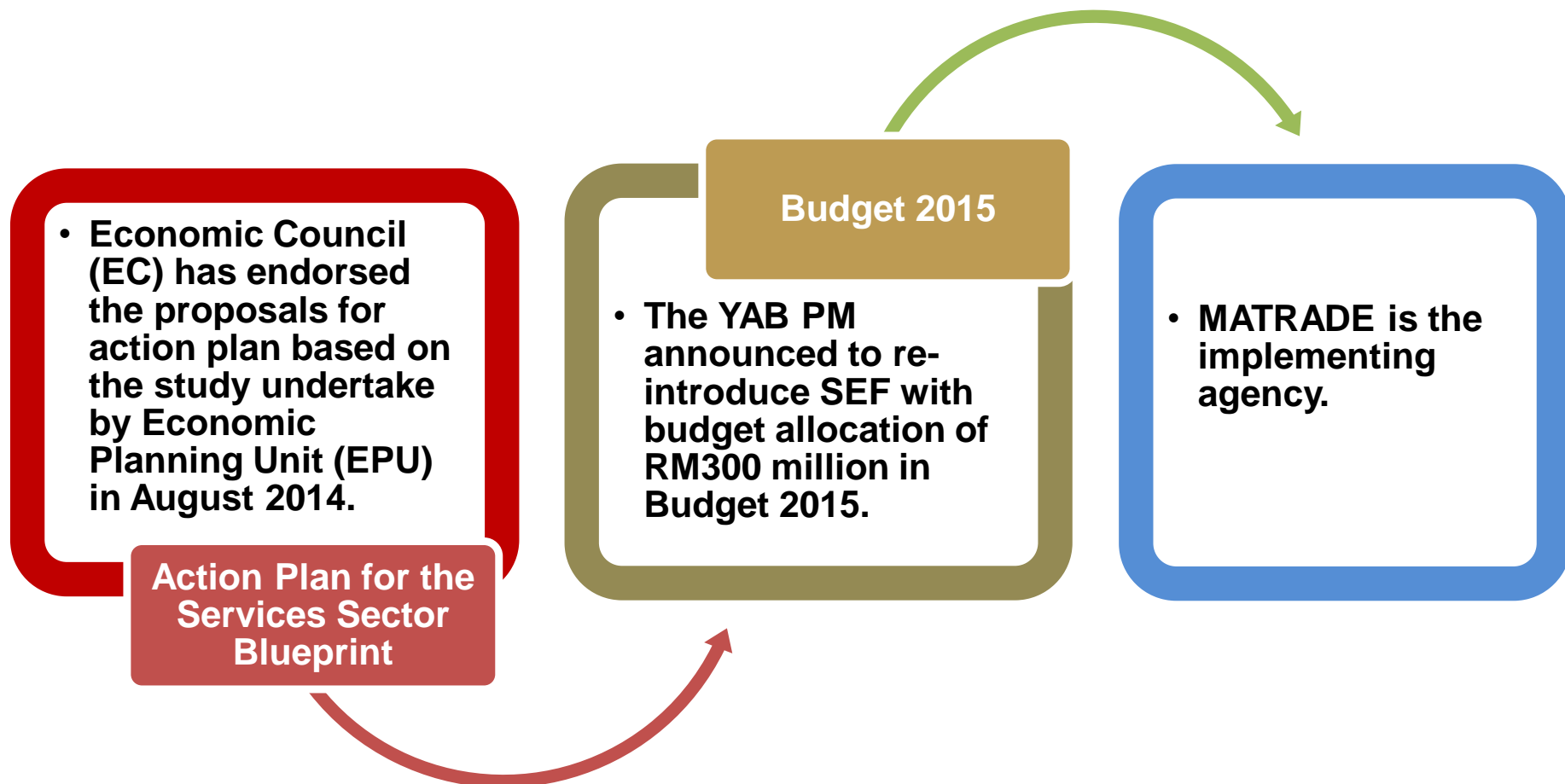


Source: DOSM

INITIATIVES BY MATRADE TO ENHANCE EXPORT FOR SERVICES

1. Services Export Fund (SEF) Towards International Partnership

Background



Overview of SEF

What is SEF?

The Services Export Fund (SEF) is a scheme to provide assistance to Malaysian Service Providers (MSPs) to undertake activities to expand and venture into international market.

Form of Assistance

- The disbursement of this fund to MSP is through provision of grant and soft loan.
- For Grant: MSPs can obtain from 50% to 100% reimbursable or matching grant on the approved cost of the eligible activities.
- For Soft Loan: MSPs can apply for a soft loan with 2% interest rate and payable in 2 years.

Maximum Amount

The maximum assistance provided under the SEF for a MSP is up to RM5 million per company for the duration of the fund (2015 - 2020)

Eligibility Criteria



Registered with
MATRADE (MER)



Incorporated under
Companies Act 1965



Not a Government / State
Linked Company (GLCs)

OR



Malaysian sole
proprietors,
professionals and
partnerships
registered with
authorities in Malaysia



An active business entity (at
least 12 months in operation
with the latest Audited
Financial Statements (2014)



Having at least 60%
equity owned by
Malaysia



Exporting Malaysian Services
or made in Malaysia products

Eligible Sector



All services sectors except tourism and financial sectors are eligible for the SEF

Among the Focus Sectors are:

Information & Communications Technology (ICT)

Aerospace

Construction & Related Professional Services

Logistics

Maintenance, Repair and Overhaul (MRO)

Maritime

Electronics Manufacturing Services (EMS)

Healthcare

Business Services

Legal

Accounting

Franchising

Oil and Gas

Education

Eligible Activities for Grant



5

Activities

1

To promote Malaysian expertise in specific services areas overseas

2

To cover related cost in rendering services for projects abroad

3

Establishment of physical commercial presence/office overseas

4

Supplying Made in Malaysia products for Malaysian projects abroad

50%
to
100%

Reimbursable /
Matching Grant

5

Feasibility Study Fund (FFS) *

* Available starting January 2016

Activity **1** and **2**




To promote Malaysian expertise in specific services areas overseas

To cover related cost in rendering services for projects abroad



MSPs can apply for 100% reimbursable grant of the eligible activities to a maximum of RM50,000 per company.




MSPs can apply for 50% reimbursable grant of the eligible expenses incurred in rendering services for overseas projects to a maximum of RM50,000 per company.

Activity **3** and **4**



Establishment of physical commercial presence / office overseas

An icon representing buildings, consisting of two stylized structures with rectangular windows, one taller than the other.

MSPs can apply for 50% reimbursable grant for cost of rental of office (exclude deposits) incurred in the initial set up of physical commercial presence / office overseas up to a maximum of RM150,000 per company.

Supplying Made in Malaysia products for Malaysian projects abroad

An icon representing shipping and logistics, featuring a cargo ship, a globe, a truck, and an airplane.

MSPs can apply for 50% matching grant of logistic costs of sending Malaysian products, equipment / merchandising for overseas projects to a maximum of RM1 million per company.

Activity

5

Feasibility Study Fund (FFS)



MSPs can apply for 50% reimbursable grant of the eligible costs of conducting feasibility studies on specific international projects to a maximum of RM3 million per company.

Eligible Activities for Soft Loan



2

Activities

6

To assist Malaysian Services Providers (MSPs) in proposing and planning for negotiating projects overseas *

2%
**Interest
Rate**

Soft Loan

7

To defray cost of raising bank guarantee or performance bond for project execution*

2
years

**Repayment
Period**

* Available starting Q4 2015

Activity **6** and **7**



To assist Malaysian Services Providers (MSPs) in proposing and planning for negotiating projects overseas.

To defray cost of raising bank guarantee or performance bond for project execution.

MSPs can apply for a soft loan to cover costs incurred in the preparation and submission of project proposals, subject to:

- a maximum of RM2 million per company;
- with 2% interest rate;
- payable in 2 years.

MSPs can apply for a soft loan to defray cost in raising the bank guarantee or performance bond for project execution, subject to:

- a maximum of RM5 million per company;
- with 2% interest rate;
- payable in 2 years.



Application Procedure



How to Apply

- ✓ Grant: online application at www.matrade.gov.my/sef
- ✓ Soft Loan: online application at www.midf.com.my (Malaysian Industrial Development Finance Berhad (MIDF))

When to Apply

- ✓ Grant: at least 30 days before undertaking the activities.
- ✓ Soft loan: within the bid eligibility period or 90 days of receiving the letter of Intent (LOI).

IMPORTANT



- 1** Read & Understand the Guidelines
- 2** Registered as MATRADE member
- 3** Apply **ONLINE!**  www.matrade.gov.my/sef
- 4** Submit Project Brief & supporting documents to MATRADE
- 5** Document not in English? – Please **TRANSLATE!**
- 6** Response on time! Otherwise rejected... 
- 7** Get info from the **RIGHT** source: www.matrade.gov.my
- 8** Provide MATRADE with progress report

Any enquiries, please email to : **sef@matrade.gov.my**

THANK YOU

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