



**EUROCHAM  
MALAYSIA**  
EU-MALAYSIA CHAMBER OF  
COMMERCE AND INDUSTRY



**FEDERATION OF  
MALAYSIAN  
MANUFACTURERS**

## **JOINT PRESS RELEASE**

### **EUROCHAM Malaysia and Federation of Malaysian Manufacturers (FMM) Establish an EU-Malaysia Free Trade Agreement Task Force**

**Kuala Lumpur, April 22, 2021** – EUROCHAM Malaysia and the Federation of Malaysian Manufacturers (FMM) signed today a Memorandum of Understanding (MOU) for the purpose of the formation and establishment of a joint Task Force to support the realisation of the EU-Malaysia Free Trade Agreement (“**EU-MY FTA**”).

The creation of the task force is to promote a positive dialogue between EU and Malaysia, as well as promote two-way trade and investment relations between EU and Malaysia, and collaborate on mutually agreed topics and initiatives (e.g. sustainability). Negotiations for a Free Trade Agreement (FTA) between the EU and Malaysia were launched back in 2010 but put on hold after seven rounds in 2012.

“We trust that this Task Force with EUROCHAM Malaysia will facilitate the process of reviving the FTA dialogue with the European Union since it represents the joint efforts by the private sectors in both Malaysia and the EU to increase trade and investment relations. Considering the impact of Covid-19, an FTA with the EU would greatly contribute to manufacturers’ post-pandemic recovery and re-establishing critical supply chains”, explained Tan Sri Dato’ Soh Thian Lai, President of the Federation of Malaysian Manufacturers.

“EUROCHAM Malaysia and FMM will work closely together to engage government agencies and stakeholders on both sides to encourage the signing of the EU-MY FTA. The EU is consistently among the top three trading and investment partners of Malaysia with trade flows between both countries reaching nearly RM200 billion in 2019. Unfortunately, Covid-19 has affected the performance in 2020, but it has also reinforced the need to advance the Free Trade Agreement to strengthen economic ties”, iterated Tan Sri Dato’ Soh Thian Lai.

“Malaysia has achieved significant milestones with CPTPP and RCEP, but several ASEAN countries such as Singapore and Vietnam have successfully concluded EU Free Trade Agreements or are in negotiation like Indonesia. EUROCHAM Malaysia believes that it is time to act and build on the momentum of RCEP”, highlighted Oliver Roche, Chairman EUROCHAM Malaysia.

“Although EUROCHAM Malaysia has started to engage with different ministries and government agencies in recent months to discuss the potential impact, benefits as well as pitfalls of an EU-Malaysia Free Trade Agreement, we believe that by partnering with the Federation of Malaysian Manufacturers, we will be able to understand the needs of Malaysia’s business community even better and work towards mutual benefits. The joint taskforce with FMM is established because both business communities are confident that the FTA is a win-win. Even conservative estimates point out that Malaysia’s economy should benefit in the range of RM 10-12 billion for trade, while even more significant gains will materialize in form of foreign direct investment opportunities”, added Oliver Roche, Chairman EUROCHAM Malaysia.

The Federation of Malaysian Manufacturers (FMM) has been the voice of the Malaysian manufacturing sector since 1968. Representing over 10,000 member companies (3,500 direct and 7,000 indirect) from the manufacturing supply chain, FMM is actively engaged with government and its key agencies at Federal, State and local levels. FMM is also welllinked with international organisations, Malaysian businesses and civil society. Apart from benefitting from FMM's advocacy, FMM members enjoy value-add services, including training, business networking and trade opportunities as well as regular information updates.

#### **ABOUT EUROCHAM MALAYSIA**

EUROCHAM Malaysia has been established since 1993 as chamber of chambers by several European Union (EU) bilateral chambers of commerce. It is the aim of the chamber to be the united voice of the EU business community in Malaysia as well as to facilitate trade and investment between Europe and Malaysia. With our goal to bolster business alliances for a prosperous EU-Malaysia partnership, we take pride in our diverse membership based on the EU bilateral chambers of commerce, associated chambers as well as direct corporate members from Europe and Malaysia. With more than 1,600 companies in our wider network, EUROCHAM Malaysia offers one of the largest business platforms as chamber of chambers and through our valuable bilateral chambers to explore the Malaysian market or to discover the diversity of European economies. EUROCHAM Malaysia brings businesses and communities together to create mutually beneficial opportunities in trade and investment.

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