

MEDIA RELEASE

APPROVAL TO OPERATE ADDITIONAL SECTORS TO BOLSTER THE ECONOMY POST COVID-19

The Government has always exercised utmost care and responsibility in dealing with the outbreak of COVID-19 in order to ensure the health and safety of the people.

The Government has taken pro-active and responsive steps in balancing the country's economic sustainability and the effectiveness of the Movement Control Order (MCO) by allowing critical economic sectors including the medical and basic needs sectors to operate since 18 March subject to conditions set by the Ministry of Health (MOH).

This step is necessary in order to ensure the sustainability of the country's economy post COVID-19, to prevent the loss of jobs among Malaysians and to ensure that the *rakyat* continue to have access to the basic needs and critical products throughout the MCO period.

Pursuant to the Government's decision to allow several critical manufacturing and services sectors to operate during the first phase of the MCO, the level of compliance by the approved companies has been satisfactory and encouraging.

Nevertheless, the Government continues to monitor the compliance of the conditions as stipulated by MOH and also to ensure that health screening and preventive measures are implemented for the safety of employees and customers.

The Ministry of International Trade and Industry (MITI) has engaged with various stakeholders including business and industry associations, Small and Medium Enterprises (SMEs), and other relevant Ministries and agencies, including MOH and the National Security Council (NSC), to identify and review additional economic sectors that could be allowed to operate.

This measure is in line with the Cabinet's decision to establish a Special Cabinet Committee to Mitigate the Impact of COVID-19 on the Economy and Labour Market. The Special Cabinet Committee tabled several proposals to the Cabinet on April 6 and 8.

Following the presentations by MITI, the Ministry of Finance, Khazanah Nasional Berhad and Bank Negara, the Cabinet has decided to allow several additional economic sectors to operate in phases on condition of strict adherence to health and safety guidelines.

The Government's decision is based on findings from studies that indicate that the spread of COVID-19 would not only have a significant impact on health, but would also have detrimental effects on the economy and the well-being of the people, in particular, the SMEs which constitute the largest contributor to the nation's workforce.

MITI has reviewed the additional sectors that are allowed to operate based on the following considerations:

- importance in the global value chain or GVC and the country's exports. This step is to ensure the stability of export activities;
- activity of economic sectors with high value-added multiplier;
- impact on the sustainability of SMEs in the economic sector, particularly in manufacturing and services; and
- size of workforce involved.

MITI has provided details of additional sectors authorised to operate as per **Annex 1**. Companies in the additional sectors listed may submit their application to MITI beginning **Monday, April 13, 2020, from 9.00 am**. All applications must be made online at MITI, www.miti.gov.my. Only **applications** that are **complete and fulfil the conditions** will be processed.



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Companies in the sectors that are allowed to operate **MUST COMPLY** with the requirements of the Standard Operating Procedure (SOP). In addition to adhering to these enhanced terms and guidelines, operating permits are also subject to compliance with the requirements set by MOH and guidelines by other relevant enforcement agencies from time to time. Failure to comply will result in the immediate revocation of the operating permit and legal action.

Dato' Seri Mohamed Azmin Ali

Senior Minister

Ministry of International Trade and Industry (MITI)

Friday, 10 April 2020

ANNEX I
List of Sectors

- Automotive industry (limited to exports of CBU, parts and components, as well as after-sale services, e.g., repair and maintenance)

- Machinery and equipment industry

- Aerospace industry

- Construction projects and services related to construction works:
 - (i) Projects whereby the main contractors are G1–G2
 - (ii) Projects that have achieved physical progress of 90% and above
 - (iii) Tunneling works
 - (iv) Maintenance works
 - (v) Sloping works
 - (vi) Emergency works that are consequent to contractual obligations
 - (vii) Maintenance, cleaning and drying of stagnant water, spraying of pesticides at construction sites which prevent the breeding of Aedes mosquitoes and other pests
 - (viii) Other works that if left incomplete may result in danger
 - (ix) Building projects with 70 IBS score and above
 - (x) Construction projects with accommodation facilities for workers, such as centralised quarters for workers or workers' camp
 - (xi) Professional services related to the construction industry including architects, engineers, town-planners, land surveyors, quantity surveyors, project managers, facility managers as well as other relevant services

- Science, professional and technical services, including R&D (limited to legal services, services incidental to oil and gas, R&D activities related to COVID-19, and testing labs for the sectors allowed to operate)
- Social health services including registered traditional and complementary medicine (TCM) practitioners
- Hardware shops, electrical and electronic (E&E) shops and optometrists in the wholesale and retail industry
- Barber shops (offering haircuts only)
- Laundry services (only those offering full-service and does not include self-service laundrettes)