Media Statement

ADDITIONAL SECTORS TO OPERATE DURING COVID-19

Governments have always taken responsibility in dealing with COVID-19 outbreak to ensure the health and safety of the people. The government is also taking pro-active and responsive steps in balancing the economic viability of the country and the effectiveness of the Movement Control Order (MCO) by allowing the critical sectors of the economy including medical sector and basic needs to continue operation since March 18, 2020 subject to the guidelines set by the Ministry of Health (MOH).

This measure is to ensure the country's economic viability, avoiding high numbers of unemployment among Malaysians besides ensuring the people continue to gain access to basic needs and critical products throughout MCO period.

Following the Government's decision to allow some manufacturing sectors and essential services to operate during the first phase of the MCO, the Government found that the level of compliance of the operations by the approved companies is very satisfying.

The Government continues to intensify its monitoring and enforcement compliance with the requirements set by the Ministry of Health Malaysia (MOH) in ensuring that health screening measures are implemented for the sake of employee and customer safety.

The Ministry of International Trade and Industry (MITI) held a joined working session with industry associations, Small and Medium Enterprisers (SMEs), as well Ministries and other relevant agencies, including MOH and the National Security Council to identify and define additional economic sectors that shall be permitted to operate.

This is in line with the Cabinet's decision to set up a Special Cabinet Committee on the Impact of COVID-19 on the Economy and Labor market. This Special Cabinet Committee has presented several proposals to the Cabinet on April 6 and 8, 2020 as a result of the presentation by MITI, the Ministry of Finance, Khazanah Nasional Berhad and National Bank.

The Cabinet has decided to allow some additional economy sectors to operate in phases with healthcare guidelines and strict movement control.

The Government's decision is the result of a survey that found that the transmission COVID-19 not only has a great impact on health, but also will be detrimental to financial, economic and well-being the people in particular the SME industry as the largest contributor to the workforce Malaysia.
MITI has defined 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 multipliers;
- 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 Appendix 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.

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
Appendix 1
Additional Sectors

1. Aerospace industry

2. Automotive industry (restricted to export of fully installed units) – CBU, equipment and components and after-sales services such as maintenance

3. Machinery and equipment industry

4. Construction project, including cement industry, iron and steel
   i. Project in which the main contractor is classified as G1 – G2;
   ii. Project that has been certified to have achieved more than 90% physical improvement;
   iii. Tunneling project;
   iv. Maintenance work;
   v. Sloping work;
   vi. Maintenance work, cleaning and drying of stagnant water, spraying insecticides on construction site to prevent breeding of Aedes (mosquitoes) and other pests;
   vii. Any other works that if not completed can bring harm;
   viii. Building construction project with IBS score of at least 70;
   ix. Construction project with facilities/ infrastructure for employees such as Central Staff Quarters or worker camps.

5. Scientific, professional and technical services including research and development (R&D) (restricted to the following):
   i. Services relating to legal subject;
   ii. R&D activities in respect of COVID19;
   iii. Lab testing for those sectors that are allowed to operate only; and
   iv. Services in relation to oil and gas

6. Social health services including registered traditional medicine (restricted to registered Traditional and Complementary Medicine or TCM practitioners)

7. Hardware stores, electrical and electronic stores and spectacle shops only at wholesale and retail level

8. Basic hair cut services (cutting only)
9. Laundry services (full services and not self-serving services)

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