

REGIONAL CONSULTATION ON
“QUALITY MANAGEMENT: LINKING TPOs AND NSBs FOR EXPORT SUCCESS

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I. INTRODUCTION

International trade is growing at an unprecedented pace, bringing with it an intense level of competition amongst countries and industries. To be able to meet these challenges effectively, SMEs need to further equipped themselves. One of the approaches is to attained quality, international standards and certification.

As Malaysia’s national export promotion agency, MATRADE is responsible for assisting Malaysian SMEs succeed in the international market. MATRADE provides a range of advisory and support services to Malaysian companies.

II. THE ROLE, STRUCTURE AND SCOPE OF THE ORGANIZATION

Malaysia External Trade Development Corporation (MATRADE), was established in March 1993 as a statutory agency under the Ministry of International Trade Industry (MITI).

MATRADE serves to promote Malaysia’s external trade with particular emphasis on the export of manufactured and semi-manufactured products and services. In addition, MATRADE formulates and implements export marketing strategies and trade promotion activities to increase Malaysia’s exports, undertake market research, and create a comprehensive database of information for the development and improvement of Malaysia’s trade. MATRADE also organizes training programs to enhance the international

marketing skills of Malaysian exporters, promote and assist in services related to trade, and protect Malaysia's international trade interest abroad.

MATRADE's functions are:

- To promote, assist and develop Malaysia's external trade with particular emphasis on the export of manufactured and semi-manufactured products and services;
- To formulate and implement a national export marketing strategy to promote Malaysia's export;
- To undertake commercial intelligence and market research and create a comprehensive database of information for the improvement and development of Malaysia's trade;
- To organise training programmes to improve the international marketing skills of Malaysian exporters;
- To enhance and protect Malaysia's international trade interests abroad;
- To develop, promote, facilitate and assist in service areas related to trade.

MATRADE provides a wide range of services to Malaysian exporters encompassing the followings:

New Exporters Development Programme

The New Exporters Development Programme was initiated to give aspiring and export-ready SME companies the best possible start to exporting by providing valuable and relevant information, advice and other support services.

Under this programme, 24 SME companies are selected each year to undergo the 3-year export assistance programme. The development programmes include acquiring knowledge and skills in international trade

through seminars, workshops, study visits, business coaching and consultancy.

Exporters Training

MATRADE organizes seminars and workshops to nurture and update exporters on trade developments and business opportunities in international markets. The topics covered include market/business opportunities, skills enhancement, standards and regulations, supply chain management, intellectual property rights, and specific industries.

The objectives of the training programmes are to enhance the awareness among the local business community about export opportunities as well as to develop the export marketing skills of the SMEs.

Trade Information

Among MATRADE's range of core activities, dissemination of trade information to the Malaysian export community has proven to be an effective activity in promoting Malaysia's exports. Various up-to-date information gathered by MATRADE's head office and its overseas offices are being disseminated both in electronic and print media. These information include trade statistics, market intelligence/alerts, product and market information, trade leads, tender notices and trade regulations as well as trade related information obtained from external sources.

Financial Assistance For Exporters

Recognizing the high cost of undertaking export promotional activities by companies, MATRADE had put in place a number of assistance programmes for Malaysian companies to expand their market overseas. MATRADE provides financial assistance to Malaysian companies to promote their products and services in the international markets in the form of grants

namely the Market Development Grant (MDG), Brand Promotion Grant (BPG) and Services Export Fund (SEF).

Market Development Grant (MDG)

To assist SMEs expand to overseas markets, MATRADE provides grants to Malaysian companies to partially defray the high cost of export promotion. Companies can obtain a 50 per cent reimbursable matching grant on the approved cost of the eligible export promotion activities.

Brand Promotion Grant (BPG)

The objective of the Brand Promotion Grant (BPG) is to develop and promote in the international market, brand names owned by Malaysian companies for products and services originating from Malaysia. Under the scheme, brands with potential to become international brands can apply for grants of up to RM2 million for their branding programme.

The grant covers expenses incurred for branding activities including:-

- i. Brand strategy, creation and development
- ii. Brand communication plan

Services Export Fund (SEF)

The Services Export Fund (SEF) was introduced in year 2007, where it is a scheme to provide assistance in the form of reimbursable grants, to Malaysian Service Providers (MSPs) for undertaking activities to venture into the international market through:

- i. Tendering or negotiating for international projects;
- ii. Conducting pre-feasibility or feasibility studies for international projects; and
- iii. Export promotion activities

MATRADE's Strategic Thrusts:

- To ensure that Malaysia's exports continue to expand, irrespective of the state of the global economy. Measures undertaken include expanding exports under bilateral and regional FTAs through intensifying promotion activities in FTA partner countries and leveraging on the dynamic markets in Asia to accelerate Malaysia's export growth.
- Improve the image and positioning of Malaysia and its exports. Improved positioning leads to higher exports and premium margins. The branding of Malaysia's capabilities internationally is done through a comprehensive promotion of selected products and services.

Services Sector

The services sector is an important component of the Malaysian economy. Henceforth, its role is increasingly becoming significant in raising Malaysia's export profile to greater heights in the international market. To promote the country's services industry at the global level, MATRADE has designed various promotional programmes for a wide spectrum of services sector which include construction and related services, professional services (architectural, engineering, accounting), healthcare, ICT, oil and gas, education, franchise, printing and publication.

III. THE EXISTING RELATIONSHIP BETWEEN NSBs AND TPOs

MATRADE and Department of Standards Malaysia (DSM) are government agencies under two different Ministries. MATRADE is a government agency under the Ministry of International Trade and Industry (MITI) while Department of Standards Malaysia (DSM) is a government department under the Ministry of Science, Technology and Innovation (MOSTI).

There are no substantial constraints faced by the organization in terms of linking up with the counterpart NSB. The two organizations may maximize the synergy through further coordination and greater collaboration.

IV. THE POTENTIAL FUTURE RELATIONSHIP BETWEEN NSBs AND TPOs

With the common goal of enhancing the competitiveness of local enterprises in the international market, MATRADE and DSM should joint hands in a series of programmes and activities covering training, trade promotion and quality management.

V. CONCLUSION

In the highly competitive world of international trade, closer cooperation between TPOs and NSBs is critical to ensure that exporters could meet the growing market requirements.