

# ANWAR: GOVT READY TO ADDRESS IMPACT

Malaysia will respond calmly and engage in constructive discussions, says PM

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**T**HE medium- to long-term impact of the United States' 24 per cent tariff on Malaysian imports will be "challenging", said Prime Minister Datuk Seri Anwar Ibrahim.

"But this government stands ready to address and mitigate them," he said in a televised broadcast last night.

He outlined the challenges facing the country as a result of the tariffs and how the government planned to respond.

"As one of the US's largest trading partners in this region and as a major destination of US-based foreign direct investment, the medium to long-term impact will be challenging.

"These tariffs have also impacted almost every other trade and investment partner of Malaysia and will likely hit global economic growth."

He said while some exemptions partially shield semiconductors — Malaysia's largest export category to the US — the tariffs would adversely impact many other industries.

These, he said, included the textiles, furniture, rubber and plastic sectors.

Anwar said the government understood the concerns, anxieties and difficulties faced by industry players and the many employed in the affected sectors.

"Make no mistake, we are taking these tariffs seriously because they challenge the fundamental principle of nondiscrimination underpinning global trade rules.

"Further, it strikes at the heart of Malaysia's identity as a proud non-aligned trading nation, affecting the livelihoods and economic security of countless Malaysians who depend upon open and fair access to international markets."

Anwar, however, said Malaysia would respond calmly by engaging in constructive discussions



Prime Minister Datuk Seri Anwar Ibrahim speaking about the United States' 24 per cent tariff on Malaysia in a televised broadcast yesterday. PIC TAKEN FROM ANWAR'S FACEBOOK PAGE

with the US to safeguard vital market access, preserve investor confidence and secure fair outcomes for Malaysian exporters.

"In short, we must find a mutually acceptable, fair and equitable solution to this problem."

He said some efforts were already underway with the relevant ministries analysing impacts in detail, running simulations and consulting stakeholders.

He said the Investment, Trade and Industry Ministry and Foreign Ministry were also engaging their US counterparts and American firms in Malaysia directly.

"Within this coming week, the Investment, Trade and Industry Ministry will submit an in-depth study on the impact of tariffs on several export sectors to the US."

He added that the government had set up the National Geo-economic Command Centre, which he chaired, to address the issue.

"The investment, trade and industry minister will also hold a virtual meeting with all Asean economic ministers to prepare a coordinated Asean response."

Anwar said impact studies for specific sectors would be carried out to determine the form of support the sectors would receive.

"All options will be studied and considered to ensure the well-being of our people and business sectors."

Additionally, Anwar said, the government would accelerate its

economic and industrial reform agenda, including those outlined in the New Industrial Master Plan 2030 and the National Energy Transition Roadmap, to build the long-term resilience of Malaysia's economy and industry.

"At the regional level, we will strengthen our collaboration with our Asean neighbours. Asean nations are among the countries hit with the highest US tariffs."

As Asean chair, Anwar said, Malaysia would lead efforts to present a united regional front, maintain open and resilient supply chains and ensure the bloc's collective voice was heard "clearly and firmly".

At the same time, Anwar warned that the US tariffs might just be the beginning of greater challenges in the external economy.

"We must all be mentally prepared to weather the potential storm ahead and work together as a nation to safeguard our continued prosperity," he said, adding that the government was prepared for these challenges.

"We will do this, not alone and not confrontationally, but in collaboration with friends and partners, and constructively.

"Rest assured, the Madani government will continue to prioritise the interests of Malaysia, our people, businesses and exporters," he added.