

Eyeing trade expansions

Move to mitigate threat on economy amid Trump's tariffs

By MARTIN CARVALHO, GERARD GIMINO and JUNAID IBRAHIM
newsdesk@thestar.com.my

KUALA LUMPUR: Malaysia will aggressively widen its trading network with other nations to protect the country's economy while taking a wait-and-see approach on the imposition of US tariffs, says Datuk Seri Anwar Ibrahim.

The Prime Minister said while there were still uncertainties over the implementation of US tariffs, preparatory steps must be taken to shield the nation's economy

"We cannot be too hasty as there are uncertainties, not only geopolitically, but also with regard to Trump's (US President Donald Trump) decisions.

"This is because early this morning (yesterday), Trump said he was not going ahead with the tariffs against Mexico and Canada.

"This policy may change or remain in a month's time," he said when answering a question by Lim Guan Eng (PH-Bagan) during Prime Minister's Question Time in the Dewan Rakyat.

Lim had asked about Malaysia's stand on the global trade war and whether it would support China, Mexico and Canada with regard to US tariffs.

According to reports, Trump had agreed to postpone the 25% tariffs imposed on Mexico and Canada for 30 days following talks with Canadian Prime Minister Justin Trudeau and Mexican President Claudia Sheinbaum.

However, the United States is expected to go ahead and impose



Protecting the country: Anwar speaking in the Dewan Rakyat during Question Time. — Bernama

10% tariff on China.

Anwar said besides ongoing engagement with the United States, several measures are being taken to sustain the nation's economic growth in light of the tariffs.

Among them, he said, was to adopt an aggressive approach in widening and expanding trade with other nations.

"If we can expand, widen and diversify trade, I believe we will be able to hold out while pursuing ongoing engagement with the United States.

"We cannot wait as the impact of the tariffs will have a negative impact on us if they are imple-

mented," he said.

He cited the example where Malaysia, although at the initial stages of becoming a BRICS partner, has succeeded in expanding trade and opening new markets with several nations.

Besides Brazil, Peru and South Africa, he said Malaysia had expanded trade with Egypt (53.6%), Angola (59%), Ethiopia (56%), Algeria (27.9%) and Libya (19.7%).

Besides this approach, Anwar said it was also crucial that the nation forge ahead with internal development programmes, such as the National Industrial Master Plan 2030, the National Energy

Transition Roadmap and Malaysia Digital Economy Blueprint.

He said some RM120bil would be spent annually over the next five years for internal development programmes to spur domestic economic activities and demand.

Anwar said although Malaysia's stand was in line with the concept of Asean neutrality and centrality, steps must be taken to protect the economies of regional nations.

Meanwhile, the Energy Commission (ST) said it will hold an engagement session with industry players and related stakeholders from the business community to obtain their views on this impending tariff revision.

"This engagement is meant to share the finer points on the finalisation of the tariff that takes into account the interests of all, including the business and industrial communities, as well as for these stakeholders to share their views," said the commission in a statement yesterday.

"For the benefit of the people, the government will ensure that the electricity tariff revision will not burden domestic consumers, in line with the promise that the majority of the people will not be affected," it said, adding that the tariff reflects the real costs of electricity supply, while helping to balance the requirements for energy security, sustainability, and affordability.