
**PRESS STATEMENT
FOR IMMEDIATE RELEASE**

Friday, 8 January 2021

**AMCHAM urges a firm and balanced approach to managing
COVID-19 and the economy**

AMCHAM member companies recognize the severity of the rising numbers in COVID-19 cases across the nation and fully support the Malaysian government in its efforts to institute measures which are necessary to safeguard public health and safety.

The experience from the first lockdown provided valuable lessons in striking a balance between business continuity while protecting public health under this extraordinary pandemic. We therefore urge the Government to refrain from knee-jerk reactions and, to re-deploy the May 2020 Standard Operating Procedures (SOPs) which allowed businesses to operate at 100% capacity with self-regulation of their ecosystem to maintain strict compliance to SOPs.

With the re-institution of tighter SOPs and incorporating the elevated automation and experiences in hand from 10 months in 2020, manufacturing and support services should be allowed to operate at their maximum capacity. In keeping with global practices, industries such as the Electrical and Electronics (E&E) including Semiconductor and Information and Communication Technology (ICT) sectors must be gazetted as essential sectors along with the others originally identified.

MNCs and local companies in these sectors play a crucial role in the regional and global supply chain and are inextricably linked, supplying fundamental parts and services into other essential sectors such as healthcare, financial services, public services and government administration. To avoid the repeat of the chaos in March and April 2020, the related ecosystems including but not limited to packaging, transportation and logistics should also be allowed to operate in support of the critical role played by Malaysia's SMEs in global value chains.

As such, the mobility of the workforce within the nation needs to be streamlined and allowed to operate under consistent and clear rules, unimpeded by layers of unnecessary bureaucracy. This, coupled with allowance for essential business travel with clear entry and exit, testing and quarantine procedures will ensure the local economy and investments can continue to run with as little disruption as possible.

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Compliance is of utmost importance to American companies. We understand that the Government will be announcing measures to address the current situation and we strongly urge for all communication by the authorities to be delivered with clarity and consistency, in a fashion that will ensure smooth implementation and enable compliance. Consistency in interpretation and enforcement is paramount at all levels, including coordination between federal and state government.

We also strongly urge a targeted approach to enforcement and restrictions, to isolate the spread without crippling the economy. This will allow for business continuity and safety to work hand-in-hand, avoiding the potential devastating effects on local industries, and causing irreparable damage to operations and job sustainability.

According to the Economic Outlook 2021 issued by the Ministry of Finance, Malaysia's total exports for 2020 stands at RM808 billion and American companies alone account for about RM100 billion out of this total amount. This is a substantial portion of Malaysia's overall trade that will be threatened by another lockdown. The implications of Malaysia's reliability within the global value chain will also hang in the balance as overly drastic measures will negatively impact future investment sentiment.

AMCHAM urges the government to take a strong but measured approach in addressing the rising profile of COVID-19 in the country, to showcase its ability in balancing the economy and safety of its people. We have worked successfully together throughout the pandemic and supported each other effectively. We look forward to maintaining open lines of communication between businesses and government and continuing this collaborative partnership for the well-being of the nation.



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ABOUT AMCHAM MALAYSIA

The American Malaysian Chamber of Commerce (AMCHAM) was founded in 1978 as an international, non-profit, private-sector business association. It comprises more than 1200 members representing about 280 American, Malaysian and other international companies with strong ties to American business. The Chamber is a member of the AmChams of Asia Pacific.

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