



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

THE STRATEGIC TRADE ACT (STA) 2010

“UPDATES ON MALAYSIA'S STRATEGIC TRADE CONTROL”

The 27th Asian Export Control Seminar
Tokyo, Japan

13 February 2020





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UPDATES ON STRATEGIC TRADE IMPLEMENTATION



CHALLENGES



Q & A



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OVERVIEW

How STA 2010 Started

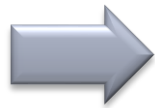


MINISTRY OF
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OVERVIEW

International Level

- United Nation Security Council Resolution 1540 (UNSCR 1540)



National Level

- Strategic Trade Act 2010 (STA 2010)



Ministerial Level

- Strategic Trade Secretariat, Ministry of International Trade & Industry (MITI)



What STA 2010 Governs?



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OVERVIEW

LAWS OF MALAYSIA

Act 708

STRATEGIC TRADE ACT 2010

An Act to provide for control over the export, transshipment, transit and brokering of strategic items, including arms and related material, and other activities that will or may facilitate the design, development and production of weapons of mass destruction and their delivery systems and to provide for other matters connected therewith, consistent with Malaysia's national security and international obligations.

[1 January 2011]



STRATEGIC TRADE ACT (STA) 2010



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- focal point for STA
- 2010 custodian of Law
- responsible for overall strategic trade management
- maintains e-Permit STA system

Minister of International Trade and Industry



Strategic Trade Secretariat

- licensing, issues policy, guidelines, SOP, conducts outreach & training
- ICP approval
- Leads audit/evaluation programme and interdiction team

Partner Licensing Agencies



Pharmaceutical
Services Division



Malaysian
Communications
and Multimedia
Commission



Poisons

Telecommunications
& Electronics

Nuclear related Items
/ Materials

Enforcement Agencies



Royal Malaysian
Customs



Royal Malaysia
Police



Malaysian
Maritime
Enforcement
Agency



Malaysian
Communications
and Multimedia
Commission



Suruhanjaya Sekuriti
Securities Commission
Malaysia



Other officers specified
by the Controller

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UPDATES

STRATEGIC TRADE ACT (STA) 2010



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UPDATES



STRATEGIC TRADE (COMPOUNDING OFFENCES) REGULATIONS 2019

- Currently undergoing the Regulatory Impact Analysis (final assessment)



ICP ENHANCEMENT

- Introducing the 2 sub-elements and a new element
 - *Transaction Screening*
 - *Corrective Action*
 - *Intangible Technology Transfer (ITT)*



INTANGIBLE TECHNOLOGY TRANSFER (ITT)

- 2019 ITT Guideline
- Embarking on pilot projects with public and private universities
- Specific outreach to ITT related organisation



STRATEGIC ITEM LIST

- Currently updating the revised strategic item list 2020

2019 - 2020

STRATEGIC TRADE ACT (STA) 2010



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UPDATES

PROGRAMMES AND OUTREACH 2019



Collaboration with Saferworld

- Launching of toolkit (resource manual)
- Training to Freight Forwarding Agents, SMEs



25 outreach programmes to companies and government agencies



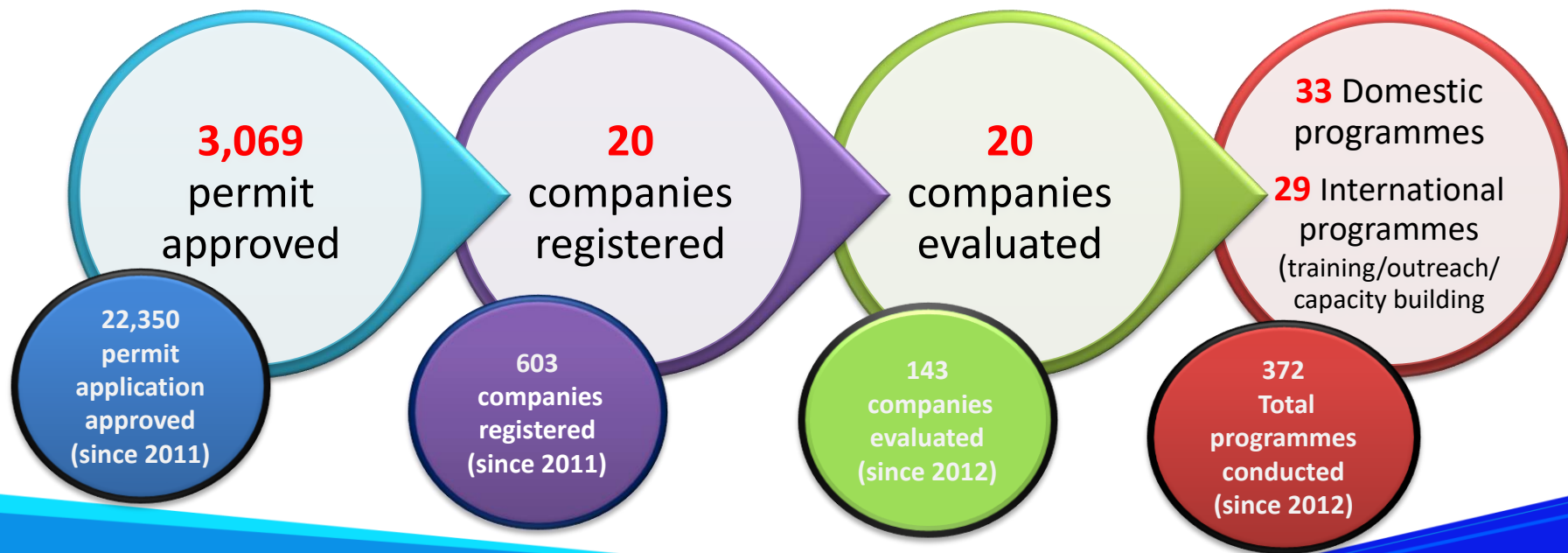
Moving towards establishing an Export Control Community (ECC) in Malaysia

STRATEGIC TRADE ACT (STA) 2010



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UPDATES AS AT 31 DECEMBER 2019



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CHALLENGES

CHALLENGES



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Multiple agencies coordination – different segment of policy and enforcement



Effective implementation and enforcement of Intangible Technology Transfer



Limited facilities to conduct lab test on strategic items



Investigation and Prosecution :
Capacity building for Investigation Officers (IO) in handling STA cases; high retention/hauling cost



Different approach required for diverse business model and arrangement



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More information on Strategic Trade:

<https://www.miti.gov.my/index.php/pages/view/sta2010?mid=105>



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MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

Thank You

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