Malaysia – Implementation of the Strategic Trade Act (STA) 2010

THE STRATEGIC TRADE ACT 2010

The UNSCR 1540 – OP3(d) requires all States to:

- ***take and enforce effective measures to establish domestic controls to prevent the proliferation of nuclear, chemical, or biological weapons and their means of delivery, including by establishing appropriate controls over related materials and to this end shall***
- ***…establish, develop, review and maintain appropriate effective national export and trans-shipment controls over such items, including appropriate laws and regulations to control export, transit, trans-shipment and re-export…"***

With the implementation of the STA 2010 since January 2011, Malaysia has met the requirement of having a comprehensive export control legal framework

THE STRATEGIC TRADE ACT 2010

The Ministry of International Trade and Industry's long standing rapport and frequent interaction with the business community has been extremely crucial in being the focal point for the implementation of STA.

Nevertheless the challenge of facilitating trade in a secure trading environment remains.

Implementation with just the right amount of force

Factors for Effective Implementation of STA

- inter-agency (a whole Government approach) cooperation is vital and indispensable in enforcement;
- working closely with the industry and listening to them would further smoothen implementation. Consultation should commence at the very start, right from the stage where the export control law is being drafted;
- assistance is available from various donor countries and UN organisations that can be used to build expertise;
- outreach is a vital tool for industry awareness and compliance and should already start when the law is being drafted or even before;

Factors for Effective Implementation of STA

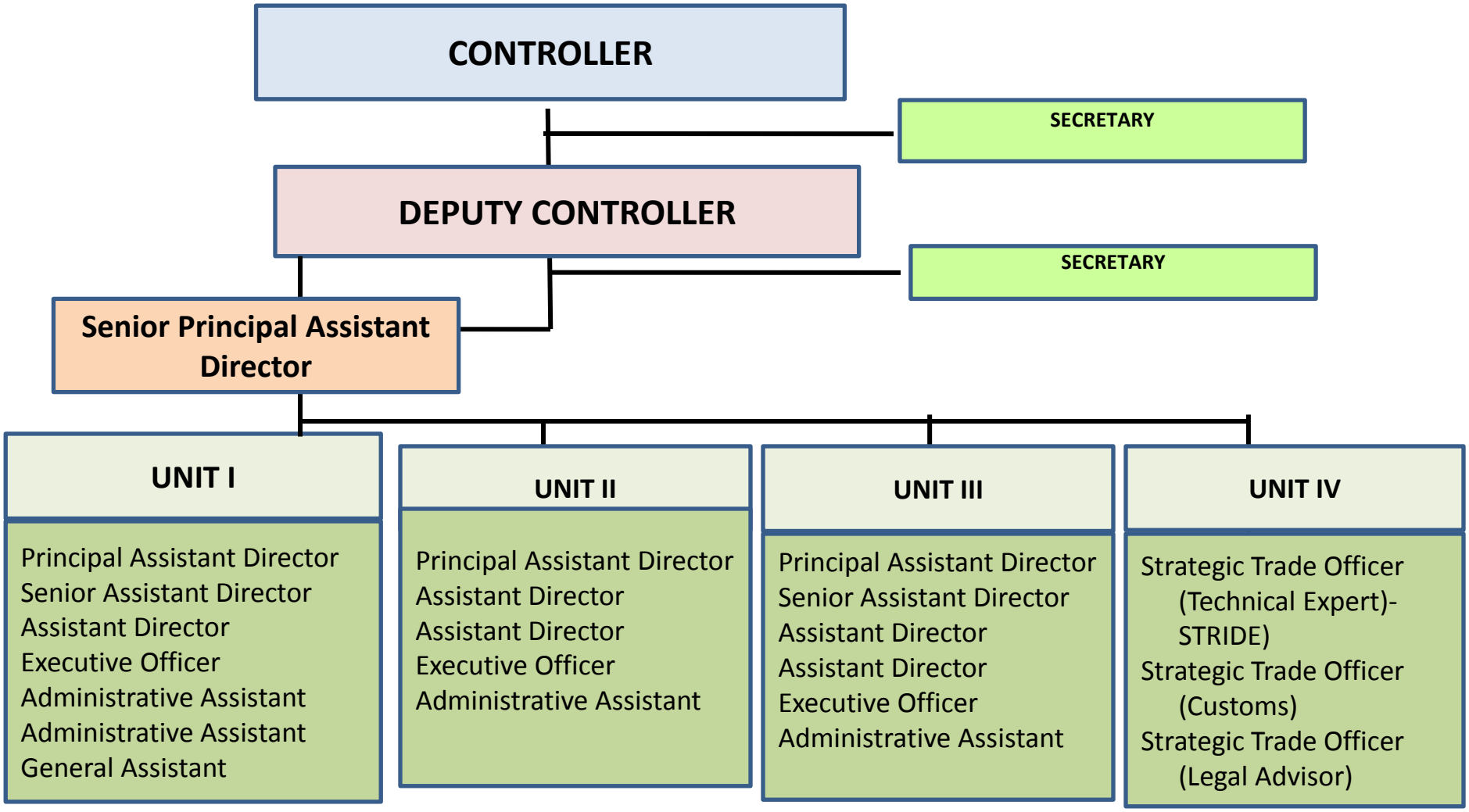
- information technology should be utilised to the fullest. On-line registration, application for permits and approval is key to facilitating trade; and
- developing expertise among the implementing and enforcement agencies by capitalising on support and assistance available from the various sources is vital for the successful implementation of the STA.

REGULATIONS AND ORDERS

STA 2010

- **Strategic Trade Regulations 2010**
  - **Prescribes:**
    - forms
    - procedures
    - any matter, including enforcement
    - payable fees
- **Strategic Trade (Strategic Items) Order 2010**
- **Strategic Trade (Restricted End-Users and Prohibited End-Users) Order 2010**

ORGANIZATIONAL STRUCTURE OF STRATEGIC TRADE SECRETARIAT



Total workforce at STS, MITI= 26

PARTNER AGENCIES

LICENSING MINISTRY/AGENCIES

Strategic Trade Secretariat, MITI
* FOCAL POINT

Malaysian Communications and Multimedia Commission (MCMC)

Atomic Energy Licensing Board (AELB)

Pharmaceutical Services Division, Ministry of Health

ENFORCEMENT AGENCIES

Royal Malaysian Customs

Royal Malaysian Police

Malaysian Maritime Enforcement Agency

MCMC

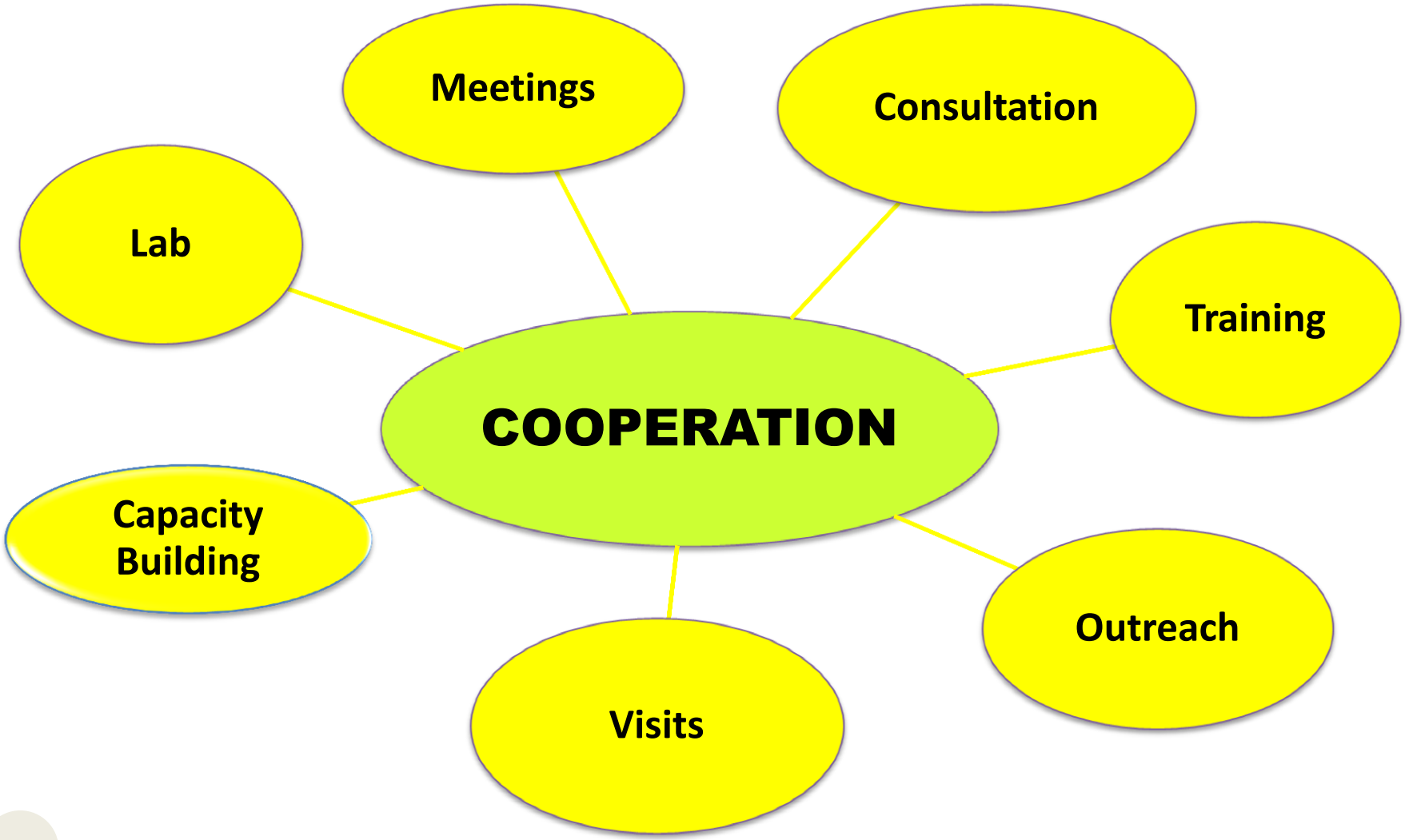
+ Other officers specified by the Controller

PARTNER AGENCIES

STRATEGIC TRADE ACTION COMMITTEE

1. Ministry of International Trade and Industry
2. Ministry of Foreign Affairs
3. National Authority, Chemical Weapons Convention, Ministry of Foreign Affairs
4. Disease Control Division, Ministry of Health
5. Pharmaceutical Services Division, Ministry of Health
6. Pesticide Control Division, Ministry of Agriculture
7. Veterinary Services Division, Ministry of Agriculture
8. Attorney General Chambers
9. Atomic Energy Licensing Board
10. Royal Malaysian Customs
11. Royal Malaysian Police
12. Science and Technology Research Institute for Defence
13. Malaysia Maritime Enforcement Agency
14. Malaysia Communication and Multimedia Commission
15. National Security Council

COOPERATION THROUGH



10

CONSULTATIONS WITH

Industry

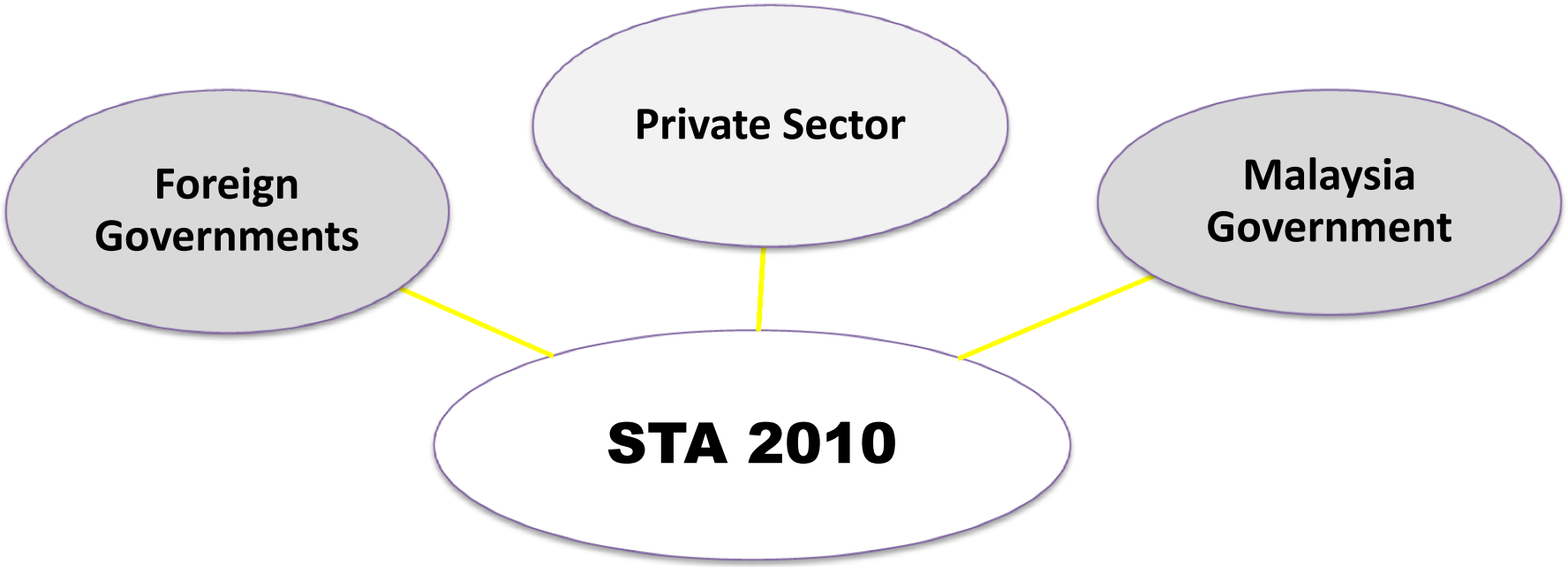
- Manufacturers
- Traders
- Brokers
- Industry Associations
- Consultants
- Freight forwarders
- Shipping Agents

Government

- Ministries and Departments (Foreign, Defense, MOSTI, Pesticides Board, Central Bank etc)
- Enforcement Agencies (Maritime, Customs,
- Police

11

STAKEHOLDERS



- International commitments
- Image as a responsible trading nation

12

THANK YOU