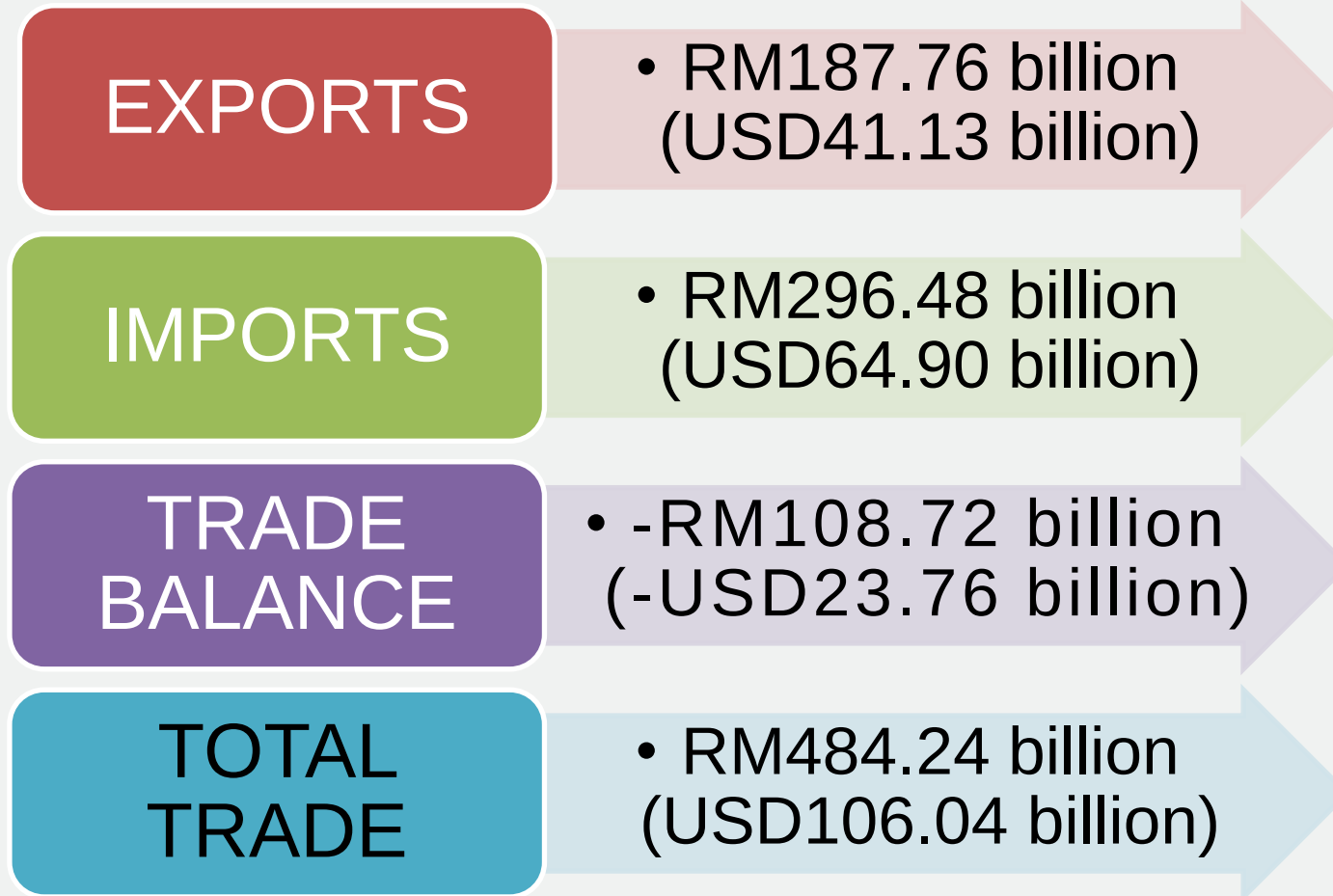




MALAYSIA-CHINA

MEMORANDUM OF UNDERSTANDING ON THE UPGRADING OF THE TWO COUNTRIES, TWIN PARKS

MALAYSIA – CHINA BILATERAL TRADE FOR 2024



MALAYSIA – CHINA BILATERAL TRADE FOR 2024

Major Exports

- Electrical and electronic products
- Chemicals and chemical products
- Liquefied Natural Gas
- Manufactures of metal
- Other Manufactures

Major Imports

- Electrical and electronic products
- Machinery, equipment and parts
- Chemicals and chemical products
- Manufactures of metal
- Petroleum products

Trade Ranking China was Malaysia's

- Largest global trading partner
- 3rd largest export destination
- Largest import source

Trade Ranking Malaysia was China's

- 2nd largest trading partner among ASEAN countries after Vietnam
- 2nd largest export destination among ASEAN countries after Vietnam
- Largest import source among ASEAN countries followed by Vietnam

MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

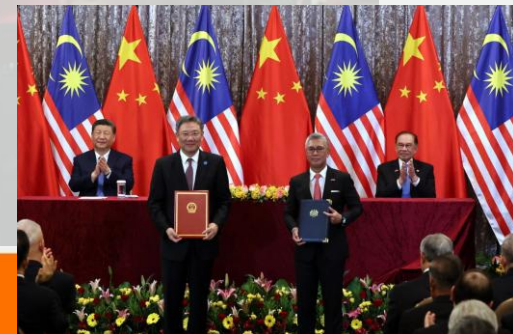
BACKGROUND

- In 2012, the leaders of both countries agreed upon the establishment of the **Malaysia-China Kuantan Industrial Park (MCKIP)** and the **China-Malaysia Qinzhou Industrial Park (CMQIP)**. This decision was taken to **further strengthen** economic and trade relations between Malaysia and China.
- The establishment of MCKIP was formalised through the signing of the **Agreement between The Government of Malaysia and the Government of the People's Republic of China on the Cooperation of the Malaysia-China Kuantan Industrial Park** on 15 June 2012.
- Both CMQIP and MCKIP represent a flagship model of “**Two Countries, Twin Parks**” for international cooperation on industrial parks. The MCKIP was officially launched on 5 February 2013 as the sister park for CMQIP which was developed in 2012.

MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

OVERVIEW

- In **April 2025**, during a state visit by President Xi Jinping to Malaysia, the Government of Malaysia and the Government of the People's Republic of China signed an **MoU on the upgrading of the “Two Countries, Twin Parks”**. This MoU formalises the cooperation between MCKIP in Pahang and CMQIP in Guangxi, China.
- This MoU upgrades the cooperation framework to match current global trends — **digitalisation, green transition, and supply chain resilience**.
- The overarching objective – to transform the Twin Parks into **world-class, green, and innovation-driven industrial zones** that support both countries' economic transformation agendas.



MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION

1. Strategic Integration and Policy Synergy

- Alignment and integration of the upgrading of the Twin Parks with Belt and Road Cooperation, ASEAN-China FTA 3.0 and the Regional Comprehensive Economic Partnership (RCEP).
- Synergise with Malaysia's NIMP 2030 and Guangxi's "Dual Circulation" strategy.
- Strengthen collaboration via the Joint Cooperation Council (JCC) – co-chaired by YB Deputy Minister MITI, Vice Minister of Commerce, China (MOFCOM), Chief Minister of Pahang and Vice Governor of the People's Government of Guangxi Zhuang Autonomous Region, China
- Cultivate new growth areas: digital economy, green development, renewable energy.

MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION (cont'd)

2. Park Management and Eco-Industrial/Green Transformation

- Promote “Managed Industrial Park Mechanism” to enhance coordination.
- Establish continuous monitoring of:
 - Industrial ecosystem.
 - Well-being of park workers and surrounding communities.
- Support transition to Eco-Industrial Parks (EIPs).
- Implement industrial symbiosis and resource efficiency.

MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION (cont'd)

3. Investment, Trade, and Infrastructure Cooperation

- Guided by principles of openness, shared benefits, and joint contribution.
- Encourage mutual investment and cross-establishment of enterprises.
- Support infrastructure and industrial projects by reputable firms from both sides.
- Promote:
 - Trade facilitation.
 - Logistics integration.
 - Strengthen port connectivity (Kuantan & Qinzhou).
 - Industrial transformation.
- Explore expansion of framework - “Two Countries, Twin Parks and Multiple Zones” model.



MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION (cont'd)

4. Promoting Policy Innovation and SME Support

- Jointly promote policy and institutional innovation.
- Advance mutual recognition of inspection standards for key products.
- Encourage cross-border/ cross regional investment innovation.
- Establish two new cooperation platforms between Pahang and Guangxi (to enhance synergies in policy and governance mechanism):
 - i. Two-way investment promotion platform.
 - ii. Public service platform for SMEs.
- Foster first-class business environment through joint governance.

MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION (cont'd)

5. Expanding Cross-Border Industrial and Supply Chains

- Joint development of cross-border industrial and supply chains in:
 - i. Digital information & electronics
 - ii. Biomedicine & traditional Chinese medicine
 - iii. Pharmaceuticals (APIs, medical devices)
 - iv. Energy & chemical engineering
 - v. EVs & components
 - vi. Low-carbon new materials
 - vii. Specialty goods: bird's nest, durian, palm oil, rubber, non-ferrous metals
- State Government of Pahang and Guangxi Government to lead and support policy implementation



MOU ON THE UPGRADING OF THE TWO COUNTRIES TWIN PARKS

FORMS OF COOPERATION (cont'd)

6. Enhancing Trade Facilitation and Port Connectivity

- Build closer synergy between Kuantan Port and Qinzhou Port.
- Develop a “Green Corridor” for logistics and shipping.
- Use existing platforms for bulk commodities and fruit trade.
- Launch Single Window Connectivity pilot for customs/quarantine verification.
- Support futures exchange integration, container lifecycle reform, and cross-border data exchange.



WAY FORWARD

- The implementation of the MoU will be monitored and deliberated under the Joint Cooperation Council (JCC) of MCKIP-CMQIP.
- The 6th JCC Meeting is expected to convene in 2026, date is yet to be confirmed.
- Currently, both Malaysia and China through CMQIP-AC and MCKIP are working on translating relevant proposals derived from the MoU.

THIS IS WHERE GLOBAL STARTS

**THANK YOU
SEKIAN, TERIMA KASIH**

MITI
MALAYSIA

 **MALAYSIA
MADANI**