

Fact Sheet: The United States and Malaysia Reach an Agreement on Reciprocal Trade

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DELIVERING ON RECIPROCAL TRADE: Today, President Donald J. Trump signed a [trade agreement](#) that will provide Americans with unprecedented levels of market access in Malaysia. The United States and Malaysia reached an Agreement on Reciprocal Trade, a legally binding agreement, that will provide American exporters with access to Malaysia's market while bolstering U.S. national and economic security.

Key terms of the U.S.-Malaysia Agreement on Reciprocal Trade include:

- **Tariffs:**
 - Malaysia has committed to provide significant preferential market access for U.S. products exported to Malaysia across goods sectors, including chemicals, machinery and electrical equipment, metals, passenger vehicles, dairy, horticultural products, poultry, pork, rice, and fuel ethanol, which will create commercially meaningful market access opportunities for a significant range of U.S. exports, supporting high-quality American jobs.
 - The United States will maintain a 19 percent reciprocal tariff rate for imports of Malaysia except for identified products from the list set out in Annex III to Executive Order 14346 of September 5, 2025, Potential Tariff Adjustments for Aligned Partners, which will receive a zero percent reciprocal tariff rate.
- **Breaking Down Non-Tariff Barriers for U.S. Industrial Exports:** Malaysia has committed to address a range of non-tariff barriers, including by: (1) accepting U.S. manufactured vehicles built to U.S. motor vehicle safety and emissions standards; (2) accepting U.S. Food and Drug Administration certificates and prior marketing authorizations for medical devices and pharmaceuticals; (3) streamlining import licenses for U.S. alloy steel and pipe products, and steel-containing goods; and (4) removing restrictions on imports of remanufactured goods.
- **Breaking Down Non-Tariff Barriers for U.S. Agricultural Exports:** Malaysia has committed to address a range of non-tariff barriers, including through: (1) recognition of the U.S. food safety system for U.S. meat, poultry, and dairy products; (2) streamlined halal certification of U.S. food and agricultural products; (3) opening market access for U.S. sorghum to Malaysia; and (4) adoption of regionalization approaches to facilitate U.S. exports of pork and poultry.
- **Opening Doors for Critical Minerals and Rare Earths Partnerships:** Malaysia has committed to the expedient development of its critical minerals and rare earths sectors in partnership with U.S. companies, including by: (1) refraining from banning, or imposing quotas on, exports to the United States of critical minerals or rare earths elements; (2) granting extended operating licenses so that businesses have the certainty to increase production capacity; and (3) ensuring that no restrictions are imposed on the sale of rare earth magnets to U.S. companies.
- **Removing Barriers for Digital Trade, Services, and Investment:** Malaysia has made comprehensive commitments on digital trade, services, and investment. Malaysia has committed to refrain from imposing digital services taxes or requiring U.S. social media platforms and online service providers to pay into Malaysia's domestic fund; ensure the transfer of data across trusted borders for the conduct of business; support a permanent moratorium on customs duties on electronic transmissions at the World Trade Organization; and remove broadcasting restrictions on U.S. programming.
- **Geographical Indications (GIs) and Market Access:** Malaysia has committed to groundbreaking provisions that will preserve current and future U.S. market access for U.S. cheese and meat producers who rely on the use of common names. This includes ensuring that market access will not be restricted due to the mere use of certain cheese and meat terms. Malaysia has also committed to only protect legitimate GIs and to robust standards for transparency and fairness regarding the protection of GIs.
- **Protecting and Enforcing Intellectual Property:** Malaysia has made commitments that will benefit American innovators and creators by enhancing intellectual property protection and prioritizing enforcement

against intellectual property theft. This includes joining and fully implementing key international intellectual property treaties and combatting notorious markets for counterfeiting and piracy.

- **Economic Security Alignment:** The United States and Malaysia are committed to strengthening cooperation to increase supply chain resilience. This includes taking complementary actions to address unfair trade policies of third parties, cooperating on export controls and investment security, and addressing duty evasion.
- **Strengthening Labor Protections:** Malaysia has committed to protecting internationally recognized labor rights, including by prohibiting the importation of goods made by forced labor, amending its laws to strengthen labor rights protections, and strengthening the enforcement of its labor laws, including by addressing violations in sectors with a high risk of forced labor and child labor.
- **Strengthening Environmental Enforcement:** Malaysia has committed to adopt and maintain high levels of environmental protection and to effectively enforce its environmental laws.
- **Confronting State-Owned Enterprises and Subsidies:** Malaysia has committed to address the distortionary behaviors of its state-owned enterprises when engaging in commercial activities and address distortions caused by domestic manufacturing subsidies.
- **Addressing Steel Excess Capacity:** Malaysia has committed to join the Global Forum on Steel Excess Capacity and take effective actions to address global excess capacity in the steel sector and its impacts.
- **Notching Commercial Deals:** The United States and Malaysia take note of commercial deals, including in the areas of aerospace, energy, telecommunications, and semiconductors, which will further increase U.S. exports to Malaysia.

THE PROSPEROUS PATH FORWARD: In the coming weeks, the United States and Malaysia will undertake applicable domestic procedures in advance of the Agreement entering into force, in order to lock in benefits for American businesses and workers.

- The United States currently runs its fourteenth-largest goods trade deficit with Malaysia. The U.S. total goods trade with Malaysia was \$24.9 billion in 2024.
- President Trump has delivered a forward-looking and tough trade deal that will benefit American workers, exporters, farmers, small businesses, and digital innovators—this deal is what winning looks and will feel like for all Americans.

LIBERATING AMERICA FROM UNFAIR TRADE PRACTICES: Since Day One, President Trump challenged the assumption that American workers and businesses must tolerate unfair trade practices that have disadvantaged them for decades and contributed to our historic trade deficit.

- On April 2, President Trump declared a national emergency in response to the large and persistent U.S. goods trade deficit caused by a lack of reciprocity in our bilateral trade relationships, unfair tariff and non-tariff barriers, and U.S. trading partners' economic policies that suppress domestic wages and consumption.
- President Trump continues to advance the interests of the American people by removing tariff and non-tariff barriers and expanding market access for American exporters.
- Today's announcement shows that America can defend its domestic production while obtaining expansive market access with our trading partners.

The WHITE HOUSE

BRIEFINGS & STATEMENTS

AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND MALAYSIA ON RECIPROCAL TRADE

The White House

October 26, 2025

Preamble

The Government of the United States of America (“United States”) and the Government of Malaysia (“Malaysia”) (hereinafter referred to individually as “a Party” and collectively as “the Parties”),

EMPHASIZING their shared values, including their shared commitment to sovereignty, economic prosperity, and resilient supply chains;

RECOGNIZING the bonds of friendship and cooperation between them, in particular in their trade and investment relations, as reflected in the *Trade and Investment Framework Agreement between the Government of the United States and the Government of Malaysia*;

INTENDING to enhance reciprocity in their bilateral trade relationship by addressing tariff and non-tariff barriers; and

SEEKING to strengthen their commercial relationship through increased alignment on national and regional economic security matters,

HAVE AGREED as follows:

Section 1. Tariffs and Quotas

Article 1.1: Tariffs

1. Malaysia shall apply a rate of customs duty^[1] on originating goods of the United States as set out in Schedule 1 to Annex I.
2. The United States shall apply a revised reciprocal tariff rate on originating goods of Malaysia as set out in Schedule 2 of Annex I.

Article 1.2: Quantitative Restrictions

Malaysia shall not impose quantitative restrictions on imports of originating goods of the United States except in accordance with the *General Agreement on Tariffs and*

Trade 1994 (GATT 1994).

Section 2. Non-Tariff Barriers and Related Matters

Article 2.1: Import Licensing

Malaysia shall not apply import licensing^[2] to U.S. originating goods in a manner that restricts the importation of such goods. Malaysia shall ensure that any non-automatic import licensing that it applies is applied only to administer an underlying measure, and in a manner that is transparent, nondiscriminatory, and not unduly burdensome, and that does not reduce the competitiveness of U.S. exports.

Article 2.2: Technical Regulations, Standards, and Conformity Assessment

1. The Parties recognize their existing rights and obligations with respect to each other under the World Trade Organization (WTO) *Agreement on Technical Barriers to Trade*. Malaysia shall allow U.S. originating goods that comply with applicable U.S. or international standards, U.S. technical regulations, or U.S. or international conformity assessment procedures to enter its territory without additional conformity assessment requirements. In doing so—

(a) Malaysia shall accord to the conformity assessment bodies of the United States treatment no less favorable than that it accords to its own bodies; and

(b) Malaysia shall facilitate the acceptance of U.S. compliance procedures for goods that are not subject to third-party conformity assessment in the U.S. regulatory framework.

2. Malaysia shall ensure that technical regulations, standards, and conformity assessment procedures are applied in a non-discriminatory manner and do not operate as disguised restrictions on bilateral trade, and shall remove existing technical barriers to trade in areas that undermine reciprocity, including requirements for duplicative or unnecessary testing or conformity assessment.

Article 2.3: Agriculture

Malaysia shall provide non-discriminatory or preferential market access for U.S. agricultural goods as set forth in this Agreement. In doing so—

(a) Malaysia shall ensure that its sanitary and phytosanitary (SPS) measures are science- and risk-based and do not operate as disguised restrictions on bilateral trade, and shall remove unjustified SPS barriers in areas that undermine reciprocity.

(b) Malaysia shall not enter into agreements or understandings with third countries that include non-scientific, discriminatory, or preferential technical standards or third-country SPS measures that are incompatible with U.S. or international standards; or otherwise disadvantage U.S. exports.

Article 2.4: Geographical Indications

Malaysia shall ensure transparency and fairness with respect to the protection or recognition^[3] of geographical indications, including pursuant to an international agreement to which Malaysia is a party. Malaysia shall only protect or recognize a term that identifies a good as a geographical indication where there is a given quality, reputation, or other characteristic of the good that is essentially attributable to its geographical origin.

Article 2.5: Cheese and Meat Terms

Malaysia shall not restrict U.S. market access due to the mere use of the individual cheese and meat terms listed in Annex II.

Article 2.6: Intellectual Property

Malaysia shall provide a robust standard of protection for intellectual property.^[4] Malaysia shall provide effective systems for civil, criminal, and border enforcement of intellectual property rights and shall ensure that such systems combat and deter the infringement or misappropriation of intellectual property, including in the online environment. Malaysia shall prioritize and shall take effective criminal and border enforcement actions against copyright and trademark infringements.

Article 2.7: Services

This Agreement incorporates, *mutatis mutandis*, any commitment concerning trade in services that Malaysia has made or hereafter makes in a trade agreement to any third country, jurisdiction, or economy. This Article shall not apply to any commitment to the Association of Southeast Asian Nations (ASEAN) under any ASEAN trade or investment agreement.

Article 2.8: Good Regulatory Practices

Malaysia shall adopt and implement good regulatory practices as set out in Article 2.21 of Annex III that ensure greater transparency, predictability, and participation throughout the regulatory lifecycle.

Article 2.9: Labor

1. Malaysia shall adopt and implement a prohibition on the importation of goods mined, produced, or manufactured wholly or in part by forced or compulsory labor. Malaysia may acknowledge U.S. government determinations on entities under Section 307 of the Tariff Act of 1930 and shall take appropriate action to prohibit importation of goods from those companies. The Parties shall cooperate by sharing best practices on the development and enforcement of forced labor import prohibitions, as appropriate. Malaysia shall implement the obligations in this paragraph within two years of the date of entry into force of this Agreement.

2. Malaysia shall protect internationally recognized labor rights.[5] This includes by adopting or maintaining such rights in its domestic law and practice, and effectively enforcing its labor laws, including by creating or maintaining necessary institutions to protect labor rights. Malaysia shall establish and effectively apply appropriate legal sanctions for violations of those laws. Malaysia shall not weaken or reduce the protections in its labor laws and shall address any such weakening or reduction that has been made to encourage trade or investment to date.[6] In addition, Malaysia shall address issues related to labor rights that contribute to non-reciprocal trade.

Article 2.10: Environment

Malaysia shall adopt and maintain environmental protections, effectively enforce its environmental laws, uphold or institute, as necessary, strong environmental governance structures, and address environment-related issues that contribute to non-reciprocal trade.

Article 2.11: Customs and Trade Facilitation

Malaysia shall facilitate technology solutions that allow for full pre-arrival processing, paperless trade, and digitalized procedures for the cross-border movement of goods.

Article 2.12: Border Measures and Taxes

1. Malaysia shall coordinate and endeavor to align its border measures applicable to third-country imports with relevant border measures that the United States may adopt in the future, such as border-adjusted tax measures or other border measures, to combat regulatory arbitrage that would disadvantage U.S. workers and businesses.
2. No Party shall contest at the WTO a measure adopted by the other Party to rebate or to refrain from imposing direct taxes in relation to exports from that Party.
3. Malaysia shall not impose value-added taxes that discriminate against U.S. companies in law or in fact.

Section 3. Digital Trade and Technology.

Article 3.1: Digital Services Tax

Malaysia shall not impose digital services taxes, or similar taxes, that discriminate against U.S. companies in law or in fact.

Article 3.2: Facilitation of Digital Trade

Malaysia shall facilitate digital trade with the United States, including by—

- (a) refraining from measures that discriminate against U.S. digital services or U.S. products distributed digitally;[7]
- (b) ensuring the cross-border transfer of data by electronic means across trusted borders, with appropriate protections, for the conduct of business; and

(c) endeavoring to collaborate with the United States to address cybersecurity challenges and matters of mutual interest, which may include exchanging information on threats and best practices, promoting the use of relevant international standards, and understanding capacity-building activities.

Article 3.3: Digital Trade Agreements

Malaysia shall consult with the United States before entering into a new digital trade agreement with another country that jeopardizes essential U.S. interests.

Article 3.4: Market Entry Conditions

1. Malaysia shall not impose any condition or enforce any undertaking requiring U.S. persons to transfer or provide access to a particular technology, production process, source code, or other proprietary knowledge, or to purchase, utilize, or accord a preference to a particular technology, as a condition for doing business in its territory.

2. Nothing in this Article shall—

(a) preclude the inclusion or implementation of terms and conditions related to the provision of source code in commercially negotiated contracts;

(b) preclude a Party from requiring that access be provided to software used for critical infrastructure, to the extent required to ensure the effective functioning of critical infrastructure, subject to safeguards against unauthorized disclosure;

(c) preclude a Party from requiring the modification of source code of software necessary for that software to comply with laws or regulations which are not inconsistent with this Agreement;

(d) apply to government procurement;

(e) preclude a regulatory body or judicial authority of a Party from requiring a person of another Party to preserve and make available the source code of software, or an algorithm expressed in that source code, to the regulatory body for a specific investigation, inspection, examination, enforcement action, or judicial proceeding, subject to safeguards against unauthorized disclosure; or

(f) apply to a Party's measures adopted or maintained for prudential reasons.[8]

Article 3.5: Customs Duties on Electronic Transmissions

Each Party shall not impose customs duties on electronic transmissions, including content transmitted electronically, and shall support multilateral adoption of a permanent moratorium on customs duties on electronic transmissions at the WTO. For greater certainty, this Article does not preclude a Party from imposing internal taxes, fees, or other charges on electronic transmissions, including content transmitted electronically, provided that those taxes, fees, or charges are imposed in

a manner consistent with Articles I and III of the GATT 1994 or Articles II and XVII of the WTO *General Agreement on Trade in Services* (GATS).

Section 4. Rules of Origin

Article 4.1: General Provision

The Parties intend for the benefits of this Agreement to accrue substantially to them and their nationals. If benefits of this Agreement are accruing substantially to third countries or third-country nationals, a Party may establish rules of origin necessary to achieve the Parties' intention for this Agreement.

Section 5. Economic and National Security

Article 5.1: Complementary Actions

1. If the United States imposes a customs duty, quota, prohibition, fee, charge, or other import restriction on a good or service of a third country and considers that such measure is relevant to protecting the economic or national security of the United States, the United States intends to notify such measure to Malaysia for the purpose of economic and national security alignment. Upon receiving such notification from the United States, Malaysia shall adopt or maintain a measure with equivalent restrictive effect as the measure adopted by the United States or agree to a timeline for implementation that is acceptable to both Parties, to address a shared economic or national security concern, guided by principles of goodwill and a shared commitment to enhancing bilateral relations between the United States and Malaysia.
2. Malaysia shall adopt and implement measures, in accordance with its domestic laws and regulations, to address unfair practices of companies owned or controlled by third countries operating in Malaysia's jurisdiction that result in—
 - (a) the export of below-market price goods to the United States;
 - (b) increased exports of such goods to the United States;
 - (c) a reduction in U.S. exports to Malaysia; or
 - (d) a reduction in U.S. exports to third-country markets.
3. Malaysia shall adopt, through its domestic regulatory process, similar measures of equivalent restrictive effect as those adopted by the United States to encourage shipbuilding and shipping by market economy countries. The Parties shall discuss the structure and effect of such measures, recognizing the Parties' commitment to address shared economic or national security concerns in the shipbuilding and shipping sector.

Article 5.2: Export Controls, Sanctions, Investment Security, and Related Matters

1. Malaysia shall, through its domestic regulatory process, cooperate with the United States to regulate the trade in national security-sensitive technologies and

goods through existing multilateral export control regimes, align with all unilateral export controls in force by the United States, and ensure that its companies do not backfill or undermine these controls.

2. Malaysia shall cooperate with the United States, in a manner consistent with applicable requirements of domestic laws and regulations, with a view to restricting transactions of its nationals with individuals and entities included in the U.S.

Department of Commerce Bureau of Industry and Security Entity List (Supplement 4 of Part 744 of the Export Administration Regulations), as well as the U.S. Department of the Treasury Office of Foreign Assets Control Lists of Specially Designated Nationals and Blocked Persons List (SDN List) and the Non-SDN Consolidated Sanctions List.

3. Malaysia shall explore the establishment of a mechanism to review inbound investment for national security risks, including in connection with critical minerals and critical infrastructure, consistent with widely accepted international best practices, and shall cooperate with the United States on matters related to investment security.

4. If the United States determines that Malaysia is cooperating to address shared national and economic security issues, the United States may take such cooperation into account in administering its domestic laws and regulations pertaining to export controls, investment reviews, and other measures.

Article 5.3: Other Measures

1. The United States shall work with Malaysia to streamline and enhance defense trade.

2. Malaysia shall, in accordance with its domestic laws and regulations, adopt and effectively enforce measures to combat transshipment and other practices to evade or circumvent duties applied by the United States. Malaysia shall enter into a duty evasion cooperation agreement with the United States.

3. If Malaysia enters into a new bilateral free trade agreement or preferential economic agreement with a country that jeopardizes essential U.S. interests, the United States may, if consultations with Malaysia fail to resolve its concerns, terminate this Agreement and reimpose the applicable reciprocal tariff rate set forth in Executive Order 14257 of April 2, 2025.

4. Malaysia shall not purchase any nuclear reactors, fuel rods, or enriched uranium from certain countries, except where there are no alternative suppliers on comparable terms and conditions.

Section 6. Commercial Considerations and Opportunities

Article 6.1: Investment

1. With respect to the central level of government, Malaysia shall, in accordance with its laws and regulations, facilitate and promote investment by the United States in sectors including critical minerals, energy resources, power generation, telecommunications, transportation, and infrastructure services.
2. The United States shall work through U.S. institutions such as the Export-Import Bank of the United States (EXIM Bank) and the U.S. International Development Finance Corporation (DFC), if eligible, to consider supporting investment financing in critical sectors in Malaysia in collaboration with U.S. private sector partners, consistent with applicable law.
3. Malaysia shall facilitate, to the extent practicable, approximately USD70 billion in job-creating investment, including greenfield investment, in the United States over the next 10 years.

Article 6.2: Commercial Considerations

1. Malaysia shall ensure that its State-Owned or -Controlled Enterprises (SOEs) operating in its market, when engaging in commercial activities—
 - (a) act in accordance with commercial considerations in their purchase or sale of goods or services; and
 - (b) refrain from discriminating against U.S. goods or services.

Malaysia shall refrain from providing non-commercial assistance or otherwise subsidizing its goods-producing SOEs, except for the achievement of their public service obligations. Malaysia shall ensure a level playing field for U.S. companies in Malaysia's market with respect to SOEs of third countries.

2. Upon the written request of the United States, Malaysia shall provide non-confidential^[9] information regarding all forms of non-commercial assistance or subsidies that it provides to a manufacturing enterprise in its territory, and shall take action to address the distortive impacts of those subsidies and support mechanisms that may materially affect bilateral trade and investment with the United States.

Article 6.3: Purchases

Malaysia intends to purchase, or to facilitate the purchase by Malaysian companies, of originating goods of the United States, as set out in Annex IV.

Section 7. Implementation, Enforcement, and Final Provisions

Article 7.1: Recognition of Existing Rights and Obligations

The Parties recognize their rights and obligations under the WTO agreements, including provisions of those agreements that reflect a WTO member's sovereign

rights to protect essential security, address unfair trade practices, and pursue other public policy objectives.

Article 7.2: Entry into Force

This Agreement shall enter into force 60 days after the date on which the Parties have exchanged written notifications certifying completion of their applicable legal procedures or on such other date as the Parties may agree.

Article 7.3: Modifications and Amendments

Either Party may request reasonable modifications to any provision of this Agreement. The other Party shall consider such modifications in good faith. The Parties may agree, in writing, to amend this Agreement. An amendment to this Agreement shall enter into force 60 days after the date on which the Parties exchange written notification of the completion of their respective applicable legal procedures or on such other date as the Parties may agree. An amendment shall not affect the rights and obligations of the Parties provided for under this Agreement until the amendment enters into force.

Article 7.4: Enforcement

1. Nothing in this Agreement shall constrain, or otherwise prevent, a Party from imposing additional tariffs to remedy unfair trade practices, to address import surges, to protect its economic or national security, or for other similar reasons consistent with its domestic law.

2. If a Party considers that the other Party has not complied with a provision of this Agreement, the Party may review the terms of this Agreement and take action in accordance with applicable domestic law. A Party shall, when practicable, with a view to finding a mutually satisfactory solution, notify and seek consultations in good faith with the other Party prior to taking any action.

Article 7.5: Termination

Either Party may terminate this Agreement by written notification to the other Party. Termination shall take effect 180 days after the date of the notification.

Article 7.6: Annexes, Appendices, and Footnotes

The annexes, appendices, and footnotes to this Agreement constitute an integral part of this Agreement.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate at Kuala Lumpur, this 26th day of October, 2025.

For the Government of the
United States of America:

For the Government of Malaysia:

Donald. J. Trump
President

Anwar Ibrahim
Prime Minister

[1] **Customs duty** includes any duty or charge of any kind imposed on or in connection with the importation of a good, and any surtax or surcharge imposed in connection with such importation, but does not include any—

- (a) charge equivalent to an internal tax imposed consistently with Article III:2 of GATT 1994;
- (b) fee or other charge in connection with the importation commensurate with the cost of services rendered; or
- (c) antidumping or countervailing duty applied pursuant to a Party's law.

[2] For greater certainty, “import licensing”, “automatic import licensing”, and “non-automatic import licensing” have the same meanings as provided in the WTO *Agreement on Import Licensing Procedures*.

[3] For greater certainty, Malaysia shall not protect or recognize a predetermined list of geographical indications.

[4] For purposes of this Agreement, “intellectual property” refers to all categories of intellectual property that are the subject of Sections 1 through 7 of Part II of the WTO *Agreement on Trade-Related Aspects of Intellectual Property Rights*. Further, for purposes of this Agreement, the protection of intellectual property includes matters related to technological protection measures and rights management information.

[5] For purposes of this paragraph, internationally recognized labor rights include those in the International Labor Organization (ILO) *Declaration on Fundamental Principles and Rights at Work and its Follow-Up (1998)*, as amended in 2022; a prohibition on the worst forms of child labor; and acceptable conditions of work with respect to minimum wages and hours of work.

[6] For greater certainty, the scope of this paragraph includes special economic zones, including export processing zones, or sector-specific laws or regulations that have lesser labor protections than the overall economy.

[7] For greater certainty, Malaysia has the right to regulate in the public interest.

[8] The Parties understand that the term “prudential reasons” includes the maintenance of the safety, soundness, and integrity or financial responsibility of individual financial service suppliers as well as the safety and financial and operational integrity of payment and clearing systems.

[9] For purposes of this paragraph, “non-confidential information” means information other than confidential information, and “confidential information” means information

that relates to a specific enterprise and is protected under the laws and regulations of Malaysia.

Annexes and Appendix



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BRIEFINGS & STATEMENTS

JOINT STATEMENT ON UNITED STATES-MALAYSIA AGREEMENT ON RECIPROCAL TRADE

The White House

October 26, 2025

The Government of the United States of America (“the United States”) and the Government of Malaysia have reached agreement on an **Agreement on Reciprocal Trade** (“the Agreement”) to strengthen our bilateral economic relationship, which will provide both countries’ exporters unprecedented access to each other’s markets. The Agreement will build upon our longstanding economic relationship, including the United States-Malaysia Trade Investment Framework Agreement signed in 2004. Key terms of the Agreement on Reciprocal Trade between the United States and Malaysia include:

- Malaysia has committed to provide significant preferential market access for U.S. industrial goods exports, including chemicals, machinery and electrical equipment, metals, and passenger vehicles, and for U.S. agricultural exports including dairy, horticultural products, poultry, processed products, beverages, pork, rice, and fuel ethanol.
- The United States has committed to maintain at 19 percent the reciprocal tariffs first set forth in Executive Order 14257 of April 2, 2025, as amended, on originating goods of Malaysia, and has identified products from the list set out in Annex III to Executive Order 14346 of September 5, 2025, Potential Tariff Adjustments for Aligned Partners, to receive a zero percent reciprocal tariff rate.
- Malaysia has committed to address non-tariff barriers that affect bilateral trade in priority industrial areas. Malaysia has committed to accepting U.S. manufactured vehicles built to U.S. motor vehicle safety and emissions standards; streamlining import licenses for U.S. alloy steel and pipe products and steel-containing goods; streamlining halal requirements for products

including cosmetics, pharmaceuticals, and medical devices; and addressing U.S. concerns with conformity assessment procedures.

- Malaysia has committed to address and prevent non-tariff barriers to U.S. food and agricultural products in the Malaysian market, including by accepting currently agreed certificates issued by U.S. regulatory authorities; streamlining halal and facility registration requirements to facilitate imports of U.S. food and agricultural products; and implementation of regionalization of the United States for animal diseases.
- Malaysia has committed to adopt and maintain high levels of environmental protection and to effectively enforce its environmental laws, including by taking measures to address illegal logging, fisheries subsidies, illegal, unreported, and unregulated fishing, and illegal wildlife trade.
- Malaysia has committed to increasing enforcement against notorious markets for counterfeiting and piracy.
- To protect internationally recognized labor rights, Malaysia has made commitments on preventing forced labor and effectively identifying and addressing labor law violations in sectors with a high-risk of forced labor and child labor.
- The United States and Malaysia have finalized commitments by Malaysia to address barriers impacting digital trade, services, and investment. Malaysia has committed to refrain from imposing digital services taxes that discriminate against U.S. companies or requiring U.S. social media platforms and cloud service providers to pay into Malaysia's domestic fund; ensure the transfer of data across trusted borders, with appropriate protections, for the conduct of business; support a permanent moratorium on customs duties on electronic transmissions at the World Trade Organization ; and remove broadcasting terrestrial airtime restrictions on U.S. programming.
- The United States and Malaysia have finalized commitments to address intellectual property protection and enforcement, customs and trade facilitation, good regulatory practices, and distortionary behaviors of state-owned enterprises.
- The United States and Malaysia have committed to strengthening economic and national security cooperation and to enhancing supply chain resilience and innovation, addressing duty evasion, and cooperating on investment security and export controls.

- Malaysia has committed to refrain from banning, or imposing quotas on, exports to the United States of critical minerals or rare earth elements. Malaysia has committed to the expedient development of its critical minerals and rare earths sectors in partnership with U.S. companies, including granting extended operating licenses to create certainty for businesses to increase production capacity. Malaysia has committed to ensure no restrictions are imposed on the sale of rare earth magnets to U.S. companies.
- In addition, the United States and Malaysia take note of recent and forthcoming commercial deals between U.S. and Malaysian companies, including:
 - Procurement of 30 aircraft plus a purchase option for 30 additional aircraft.
 - Purchase of semiconductors, aerospace components, and data center equipment with an estimated value of USD150 billion.
 - Purchase of up to 5 million tonnes per annum (MTPA) of Liquefied Natural Gas estimated at up to USD3.4 billion per year.
 - Purchase of coal and telecommunication products and services valued at USD204.10 million.
 - Capital fund investments in the United States of USD70 billion.

The United States may positively consider the effect that the Agreement has on national security, including taking the Agreement into consideration when taking trade action under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862).

Additionally, to support a fair economic relationship between Malaysia and the United States, the U.S. Department of the Treasury and Bank Negara Malaysia are in discussion to finalize their mutual understanding on currency policy.

In the coming weeks, the United States and Malaysia will undertake domestic formalities in advance of the Agreement entering into force.



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Annex I

Schedule 1

Tariff Schedule of Malaysia

General Notes

1. The provisions of this Schedule are generally expressed in terms of the Malaysia's Customs Duties Order 2022 (MCDO 2022) and the interpretation of the provisions of this Schedule, including the product coverage of subheadings of this Schedule, shall be governed by the General Notes, Section Notes, and Chapter Notes of the MCDO 2022. To the extent that provisions of this Schedule are identical to the corresponding provisions of the MCDO 2022, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the MCDO 2022.
2. The base rates of duty as set out in this Schedule reflect Malaysia's Most Favored Nation (MFN) rates of duty in effect on April 24, 2025.
3. Malaysia shall apply a rate of customs duty on originating goods of the United States as provided in this Schedule.
4. In this Schedule, the following staging categories apply to the elimination or reduction of customs duties by Malaysia:
 - (a) customs duties on originating goods provided for in the items in staging category EIF shall be eliminated entirely, and these goods shall be duty-free on the date of entry into force of this Agreement;
 - (b) customs duties on originating goods provided for in the items in staging category E5 shall be eliminated in five equal annual stages, and such goods shall be duty-free effective January 1 of year five;
 - (c) customs duties on originating goods provided for in the items in staging category E9 shall be eliminated in nine equal annual stages, and such goods shall be duty-free effective January 1 of year nine;
 - (d) customs duties on originating goods provided for in the items in staging category R5 shall be reduced to five percent *ad valorem* on the date of entry into force of this Agreement;
 - (e) customs duties on originating goods provided for in the items in staging category R10 shall be reduced to 10 percent *ad valorem* on the date of entry into force of this Agreement;
 - (f) customs duties on originating goods provided for in the items in staging category R10A shall be reduced to 10 percent *ad valorem* or RM20.00 each, whichever is the higher on the date of entry into force of this Agreement;
 - (g) customs duties on originating goods provided for in the items in staging category R15 shall be reduced to 15 percent *ad valorem* on the date of entry into force of this Agreement;
 - (h) customs duties on originating goods provided for in the items in staging category A shall remain zero;

- (i) customs duties on originating goods provided for in the items in staging category B shall remain at two percent *ad valorem* on the date of entry into force of this Agreement;
- (j) customs duties on originating goods provided for in the items in staging category C shall remain at three percent *ad valorem* on the date of entry into force of this Agreement;
- (k) customs duties on originating goods provided for in the items in staging category D shall remain at five percent *ad valorem* on the date of entry into force of this Agreement;
- (l) customs duties on originating goods provided for in the items in staging category Z shall remain subject to the applied MFN import duty rate of Malaysia; and
- (m) customs duties on originating goods provided for in the items in staging category TRQ shall be governed by the terms of the tariff-rate quota (TRQ) for that specific tariff item, as described in Appendix 1.

5. Interim staged rates for tariff items in this Schedule shall be rounded to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, to the nearest of tenth of one Malaysian Ringgit.

6. For the purposes of this Schedule, “year one” means the year this Agreement enters into force as provided in Section 7 and ending on December 31 of the same year as entry into force.

7. For the purposes of this Schedule, beginning in year two, each annual stage of tariff reduction shall take effect on January 1 of the relevant year.

8. Appendix 1 sets out the TRQs that Malaysia shall apply to certain originating goods of the United States.

9. Notwithstanding any other provision of the MCDO 2022, originating goods of the United States under this Agreement in the quantities described in Appendix 1 shall be permitted entry into the territory of Malaysia as provided in this Schedule. Furthermore, unless specified otherwise in this Schedule, any quantity of originating goods imported from the United States under a TRQ provided in Appendix 1 shall not be counted towards, or reduce the in-quota quantity, of any TRQ provided for such goods under Malaysia’s WTO tariff schedule or any other trade agreement.

10. Malaysia shall administer all TRQs provided for in this Agreement and as set out in Appendix 1 according to the following provisions:

- (a) For the purposes of Appendix 1, “quota year 1” has the meaning assigned to “year one” in paragraph 6. Each subsequent quota year means each subsequent 12-month period beginning on January 1 of each subsequent calendar year;
- (b) Malaysia shall allocate its TRQs each quota year to eligible applicants. In assessing eligibility, Malaysia shall not discriminate against applicants who have not previously imported the product subject to a TRQ;
- (c) Malaysia shall administer all TRQs provided for in this Agreement and as set out in Appendix 1 on a first-come, first served basis;

- (d) Malaysia shall publish, on an official government website and at least 90 days prior to the beginning of the TRQ year, all information concerning its TRQ administration, including the size of quotas and eligibility requirements;
- (e) Malaysia shall administer its TRQs in a manner that allows importers the opportunity to utilize allocated TRQ quantities fully; and
- (f) Malaysia shall ensure that its procedures for administering its TRQs—
 - (i) are transparent;
 - (ii) are fair and equitable;
 - (iii) use clearly specified timeframes, administrative procedures, and requirements;
 - (iv) are no more administratively burdensome than necessary;
 - (v) are responsive to market conditions; and
 - (vi) are administered in a timely manner without undue delay.

Appendix 1

Live Swine

1. (a) The aggregate quantity of goods entered under tariff lines listed in subparagraph (c) shall be free of duty in any quota year specified herein, and shall not exceed the quantity specified below for each such year:

<u>Year</u>	<u>Quantity</u>
	(heads)
1	28,783

Starting in quota year 1, the quantity shall remain at 28,783 heads per year.

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be applied in accordance with staging category Z in subparagraph 4(k).
- (c) Subparagraphs (a) and (b) reference MCDO 2022 subheadings 0103.91.0000, and 0103.92.0000.

Meat of Swine

1. (a) The aggregate quantity of goods entered under tariff lines listed in subparagraph (c) shall be free of duty in any quota year specified herein, and shall not exceed the quantity specified below for each such year:

<u>Year</u>	<u>Quantity</u>
	(kilogram)
1	500,000

Starting in quota year two, the quantity shall increase by one percent per year, compounded annually, until it reaches the quantity of Malaysia's TRQ commitment in the WTO.

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be applied in accordance with staging category Z in subparagraph 4(k).
- (c) Subparagraphs (a) and (b) reference MCDO 2022 subheadings 0203.11.0000, and 0203.21.0000.

Milk and Cream, not concentrated

1. (a) The aggregate quantity of goods entered under tariff lines listed in subparagraph (c) shall be free of duty in any quota year specified herein, and shall not exceed the quantity specified below for each such year:

<u>Year</u>	<u>Quantity</u>
	(liters)
1	2,000,000

Starting in quota year two, the quantity shall increase by one percent per year, compounded annually.

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be applied in accordance with staging category Z in subparagraph 4(k).
- (c) Subparagraphs (a) and (b) reference MCDO 2022 subheadings 0401.10.1000, 0401.20.1000, and 0401401000.

Birds' eggs, in shell, fresh or preserved

1. (a) The aggregate quantity of goods entered under tariff lines listed in subparagraph (c) shall be free of duty in any quota year specified herein, and shall not exceed the quantity specified below for each such year:

<u>Year</u>	<u>Quantity</u>
	(numbers)
1	1,000,000

Starting in quota year two, the quantity shall increase by one percent per year, compounded annually, until it reaches the quantity of Malaysia's TRQ commitments in the WTO.

The quantities shall enter on a first-come, first-served basis.

- (b) Duties on goods entered in aggregate quantities in excess of the quantities listed in subparagraph (a) shall be applied in accordance with staging category Z in subparagraph 4(k).
- (c) Subparagraphs (a) and (b) reference MCDO 2022 subheadings 0407.11.1000, 0407.11.9000, 0407.19.1100, 0407.19.1900, 0407.21.0000, 0407.29.1000, 0407.90.1000, and 0407.90.2000.

Schedule 2

Schedule of the United States

General Notes

1. The provisions of this Schedule are generally expressed in terms of the Harmonized Tariff Schedule of the United States (HTSUS), and the interpretation of the provisions of this Schedule, including the product coverage of subheadings of this Schedule, shall be governed by the General Notes, Section Notes, and Chapter Notes of the HTSUS. To the extent that provisions of this Schedule are identical to the corresponding provisions of the HTSUS, the provisions of this Schedule shall have the same meaning as the corresponding provisions of the HTSUS.
2. With respect to originating goods of Malaysia as set out in this Schedule, the United States shall not apply the additional *ad valorem* rate of duty applicable to those goods as provided for in Executive Order 14257 of April 2, 2025 (Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits), as amended.
3. For all other originating goods of Malaysia, the additional *ad valorem* rate provided for in Executive Order 14257 of April 2, 2025, as amended, shall be no higher than 19 percent.
4. For greater certainty, the United States shall apply the rate of duty in paragraph 3 in addition to the United States' MFN rate of duty in effect

Annex II: Market Access List

- (a) Cheeses:
- (i) american;
 - (ii) asiago;
 - (iii) blue;
 - (iv) blue vein;
 - (v) brie;
 - (vi) burrata;
 - (vii) camembert;
 - (viii) cheddar;
 - (ix) chevre;
 - (x) colby;
 - (xi) cottage cheese;
 - (xii) coulommiers;
 - (xiii) cream cheese;
 - (xiv) danbo;
 - (xv) edam;
 - (xvi) emmental;
 - (xvii) feta;
 - (xviii) fontina;
 - (xix) gouda;
 - (xx) grana;
 - (xxi) gruyere;
 - (xxii) havarti;
 - (xxiii) limburgere;
 - (xxiv) mascarpone;
 - (xxv) monterey/monterey jack;
 - (xxvi) mozzarella;
 - (xxvii) munster/muenster;

- (xxviii) neufchatel;
- (xxix) parmesan;
- (xxx) pecorino;
- (xxxi) pepper jack;
- (xxxii) provolone;
- (xxxiii) ricotta;
- (xxxiv) romano;
- (xxxv) saint-paulin;
- (xxxvi) samso;
- (xxxvii) swiss;
- (xxxviii) tilsiter; and
- (xxxix) tomme.

(b) Meats:

- (i) black forest ham;
- (ii) bologna/bologne;
- (iii) bratwurst;
- (iv) capicola/capocollo;
- (v) chorizo;
- (vi) kielbasa;
- (vii) mortadella;
- (viii) pancetta;
- (ix) prosciutto; and
- (x) salame/salami.

Annex III: Specific Commitments

Section 1. Tariffs, Quotas, and Taxes

Article 1.1: Excise Duties

1. For all internal combustion engine (ICE) motor vehicles (excluding motorcycles) that are subject to an excise duty, Malaysia shall apply to all new U.S. manufactured ICE vehicles, regardless of engine size, the lowest rate that it applies to any motor vehicles in the same vehicle category as provided in the Customs Excise Duties Order in force.
2. Malaysia shall apply the same excise duty rate per liter of pure alcohol to all distilled spirits.

Article 1.2: Sales and Services Tax (SST)

Malaysia shall exclude U.S. exports of agricultural and seafood products from Malaysia's consumption tax (currently the SST).

Section 2. Non-Tariff Barriers and Related Matters

Industrial Goods

Article 2.1: Motor Vehicle and Parts

1. Malaysia shall not cap the total number of U.S. vehicles that can be imported each year.
2. Malaysia shall—
 - (a) accept vehicles and vehicle parts that are manufactured and sold in the United States and comply with U.S. Federal Motor Vehicle Safety Standards (FMVSS) and U.S. emissions standards; and
 - (b) accept U.S. compliance procedures for automotive products without requirements for U.S. vehicles and vehicle parts to undergo additional processes to enter Malaysia's market.
3. Malaysia shall address any other standards or requirements that discriminate against U.S. vehicles and vehicle parts.

Article 2.2: Remanufactured or Refurbished Goods

Malaysia shall not adopt or maintain any prohibition or restriction on the importation of remanufactured or refurbished goods from the United States, except in accordance with Article XI of GATT 1994 and its interpretative notes.

Article 2.3: Alloy Steel, Pipe Products and Steel-Containing Goods

Malaysia shall apply automatic import licensing requirements for imports of U.S. alloy steel, pipe products, and steel-containing goods.

Article 2.4: Medical Devices and Pharmaceuticals

1. Malaysia shall accept a prior approval or clearance that is issued by the U.S. Food and Drug Administration (FDA) as sufficient evidence that a medical device manufactured in the United States meets Malaysia's requirements for marketing authorization, and shall not require market authorization for low-risk medical devices where marketing authorization is not required by the FDA.¹
2. Malaysia shall recognize audits and certificates of device manufacturers' quality management systems that are in accordance with the requirements established by the Medical Device Single Audit Program (MDSAP) and conducted by auditing organizations authorized by the regulatory authorities participating in MDSAP to audit under the MDSAP requirements, and shall not impose additional regulatory requirements beyond those required for MDSAP.
3. Malaysia shall adopt relevant scientific or technical guidance documents developed through the International Medical Device Regulators Forum (IMDRF), when developing or implementing regulations for marketing authorization of medical devices.
4. Malaysia shall accept the FDA's electronic certificates of pharmaceutical product (eCPP) and electronic certificates to foreign government (eCFG) as sufficient for Malaysia's approval requirements for pharmaceuticals and medical devices. Malaysia shall not require hardcopies, original copies, authenticated copies, wet signatures, or apostilles of FDA certificates.
5. Malaysia shall accept a prior marketing authorization issued by the FDA as sufficient evidence that a pharmaceutical product manufactured in the United States meets Malaysia's requirements for marketing authorization in its country.
6. Malaysia shall not require periodic re-authorization for a pharmaceutical product manufactured in the United States that has previously received marketing authorization from the United States, unless Malaysia identifies a significant safety, effectiveness, or quality concern.
7. Malaysia shall accept the results of a good manufacturing practice surveillance inspection conducted by the FDA of a manufacturing facility for pharmaceutical products without further need for an inspection or reinspection performed by Malaysia's relevant regulatory authorities when the following conditions apply:
 - (a) the manufacturing facility is within the territory of the United States; and
 - (b) the most recent FDA inspection report, as provided by the facility, is classified as no action indicated, demonstrating no objectionable conditions or practices.

Article 2.5: Halal Certification for Industrial Goods

1. Malaysia does not require industrial goods, including cosmetics, pharmaceuticals, and medical devices, to be certified halal and shall not impose any such requirement.
2. Malaysia shall allow the usage of a halal logo issued by any U.S. Halal certifier designated by the Department of Islamic Development Malaysia ("JAKIM").

¹ For greater certainty, this paragraph does not preclude Malaysia from maintaining registration requirements. Malaysia shall ensure that any registration requirement does not impose any additional conformity assessment procedures or other evaluation of marketing authorization.

Agriculture

Article 2.6: Recognition of the U.S. Food and Agricultural Control System and Acceptance of Certificates Issued by U.S. Regulatory Authorities

1. Malaysia shall recognize that the U.S. sanitary and phytosanitary (SPS) measures and other measures for food and agricultural products, including technical regulations and standards, adopted or maintained by the U.S. government² satisfy the requirements of Malaysia's measures applied to food and agricultural products imported into Malaysia.
2. Further to paragraph 1, Malaysia shall accept any bilateral export certification documents or electronic data elements agreed upon between the United States and Malaysia, or other official U.S. government certification of compliance with U.S. requirements, for imports of food and agricultural products into Malaysia. Malaysia shall ensure that any future changes made to any bilateral export certification documents are made with the concurrence of the United States.
3. Malaysia shall limit attestations and information required in certificates required for imports of U.S. food and agricultural products to what is necessary to comply with applicable U.S. requirements.
4. Malaysia affirms its commitments under Annex B of the WTO *Agreement on the Application of Sanitary and Phytosanitary Measures*, and Articles 2 and 5 of the WTO *Agreement on Technical Barriers to Trade* to notify proposed measures to the WTO SPS or Technical Barriers to Trade Committee, as appropriate, and to take into account comments received from WTO Members before the measure is final.

Article 2.7: Import Licensing for Food and Agricultural Products

Malaysia shall not require a SPS certificate as a condition for issuance of an import permit for food and agricultural products.

Article 2.8: Facility Registration/Establishment Listing

Dairy Products

1. Malaysia shall—
 - (a) recognize the U.S. dairy-safety system as providing at least the same level of protection as Malaysia's dairy-safety system;
 - (b) allow imports of U.S. dairy products of bovine, ovine, and caprine origins when accompanied by a U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) dairy sanitary certificate; and
 - (c) register U.S. dairy facilities based on the list provided by USDA AMS.

² For greater certainty, these U.S. measures include: measures related to food safety; the regulatory oversight of processed food production; labeling of perishable and processed foods; measures to protect agricultural production from the introduction of plant and animal pests and diseases; and regionalization protocols for animal disease and plant pest outbreaks.

Meat and Poultry (Including Offal), Meat and Poultry Products, Processed Meat and Poultry, Siluriformes, and Egg Products

2. Malaysia shall recognize USDA Food Safety and Inspection Service (FSIS) oversight of U.S. meat and poultry (including offal), meat and poultry products, processed meat and poultry, Siluriformes, and egg product facilities, including cold storage warehouses, for purposes of allowing imports of U.S. meat and poultry (including offal), meat and poultry products, processed meat and poultry, Siluriformes, and egg products.
3. Malaysia shall accept the *FSIS Meat, Poultry and Egg Product Inspection (MPI) Directory*, which lists all Federally inspected establishments producing meat, poultry, Siluriformes, and egg products regulated by FSIS, as the official list of U.S. establishments eligible to export meat and poultry (including offal), meat and poultry products, processed meat and poultry, Siluriformes, and egg products to Malaysia.
4. Malaysia shall accept U.S. meat and poultry (including offal), meat and poultry products, processed meat and poultry, Siluriformes, and egg products inspected by FSIS and certified using a FSIS Export Certificate of Wholesomeness (FSIS 9060-5 series certificate) or electronic data elements, or any successor thereto.
5. Malaysia shall impose no additional product registration and facility registration requirements on U.S. meat and poultry (including offal), meat and poultry products, processed meat and poultry, Siluriformes, and egg products.

*Aquatic Products*³

6. Malaysia shall allow imports into Malaysia when the shipment is accompanied by the bilaterally-agreed certificate issued by the National Oceanic and Atmospheric Administration (NOAA).

Article 2.9: Halal Certification for Food and Agricultural Products

Malaysia shall allow any U.S. Halal certifier designated by JAKIM as meeting Malaysia's Halal requirements, to certify food and agricultural products as Halal for importation into Malaysia without additional requirements.⁴

Article 2.10: Highly Pathogenic Avian Influenza (HPAI) - Live Poultry and Poultry Product Commodities

1. Malaysia shall not adopt or maintain any measure related to importation of live poultry, poultry genetics, poultry products, or eggs and egg products that is inconsistent with the World Organization for Animal Health (WOAH) including Terrestrial Animal Health Code (TAHC) Chapter 10.4 (Infection with High Pathogenicity Avian Influenza Viruses) or any successor thereto. Specifically, Malaysia shall align its import regulatory definition for poultry with the WOAH TAHC definition for poultry.

³ Aquatic products include U.S. fishery products, excluding Siluriformes.

⁴ This paragraph applies only to products where Halal certification is required.

2. Within 180 days of the date of entry into force of this Agreement, Malaysia shall decrease the scope of regionalization of the United States to county level for live poultry, poultry genetics, poultry products, and eggs and egg products. Malaysia shall ensure that any import restrictions imposed on U.S. live poultry, poultry genetics, poultry products, or eggs and egg products in response to outbreaks of HPAI are limited to the county or counties in which the outbreak was confirmed.

3. Malaysia shall recognize the USDA Animal and Plant Health Inspection Service (APHIS) as the competent animal health authority to determine if a U.S. county is considered free of HPAI, as defined by the WOAHA/TAH Chapter 10.4 (Infection with High Pathogenicity Avian Influenza), or any successor thereto, and, therefore, is eligible to export live animal and poultry product commodities to Malaysia.

Article 2.11: Agricultural Biotechnology

1. Noting the ability of agricultural biotechnology to improve lives by helping to feed growing populations and by promoting improved agricultural productivity while optimizing inputs, Malaysia shall maintain, for products of agricultural biotechnology, science- and risk-based regulatory frameworks and efficient authorization processes, in order to facilitate increased trade in such products.

2. Recognizing the efficacy of the U.S. regulatory system to assess the safety of products of agricultural biotechnology, upon receiving completed application dossiers, Malaysia shall facilitate the assessment procedures, in line with Malaysia's regulations, to enable products of agricultural biotechnology to access Malaysia's market.

3. In the event of an occurrence of low-level presence (LLP) affecting a U.S. shipment exported to Malaysia, Malaysia shall ensure that the LLP occurrence is managed without unnecessary delay. Malaysia shall take into account any relevant risk or safety assessment provided, and authorization granted, by the United States or any third country, when deciding how to manage the LLP occurrence.

Article 2.12: Living Modified Organisms

Malaysia recognizes that processed food and agricultural products derived from products of agricultural biotechnology do not contain living modified organisms and therefore are not subject to approval by Malaysia's authorities. For the purposes of this Article, the definition of "processed" refers to the process that removes the ability of the product of agricultural biotechnology to germinate, including heat treatment, grinding, or other relevant process.

Article 2.13: Maximum Residue Levels (MRLs)⁵

1. Recognizing the importance of establishing science- and risk-based MRLs, in cases where Malaysia has not established an MRL, Malaysia shall recognize and accept the corresponding U.S. tolerances.

2. In the event of a non-compliance with the relevant MRL, Malaysia shall apply enhanced, risk-based surveillance, if warranted, only to the entity responsible for the non-compliance. Malaysia shall also provide the entity responsible for the non-compliance with an opportunity to dispute or resolve the non-compliance.

⁵ For greater certainty, "maximum residue level" has the same meaning as "maximum residue limit," including the term as used by the Codex Alimentarius.

3. Malaysia shall limit suspension of U.S. entities based on MRL non-compliance to the responsible entity and only after multiple instances of non-compliance.

4. Malaysia shall, upon request, communicate the testing methodologies and markers used to determine compliance with MRLs.

Article 2.14: African Swine Fever (ASF)

1. Within 15 months of the date of entry into force of this Agreement, Malaysia shall recognize the zone established by the United States for ASF⁶ and begin the process of assessing recognition of the remainder of the United States for ASF regionalization.

2. Consistent with WOAHA TAHC Chapter 15.1 (Infection with African Swine Fever Virus) and recognizing the efficacy of the regionalization actions overseen by the United States, within 15 months of entry into force of this Agreement, Malaysia shall complete a regionalization agreement with the United States for ASF.

Article 2.15: Definitions for Alcoholic Beverages

Malaysia shall conduct an independent impact assessment with a view to expanding Malaysia's current definitions for alcoholic beverages to include U.S. malt-based and spirit-based ready-to-drink products by the end of 2028.

Intellectual Property

Article 2.16: Geographical Indications

With respect to the protection or recognition of a geographical indication, including pursuant to an international agreement, Malaysia shall—

- (a) ensure transparent and fair procedures for examination, opposition, and cancellation, including with respect to a translation or transliteration;
- (b) provide that the grounds for refusal, opposition, and cancellation include the likelihood of confusion with a prior trademark and whether the term is the term customary in common language as the common name for the relevant good in its territory;
- (c) publicly identify which component or components it is protecting and which it is not protecting;
- (d) not protect an individual component of a multi-component term that is protected or is recognized as a geographical indication if that individual component is the term customary in common language as the common name for the relevant good in its territory;
- (e) not prevent third parties from commercial use of a term, sign, or image based on the evocation of a geographical indication protected or recognized in its territory;

⁶ In September 2021, the United States established a protection zone for Puerto Rico and the U.S. Virgin Islands.

- (f) in determining whether a term is the term customary in common language as the common name for the relevant good in its territory, have the authority to take into account how consumers understand the term in its territory and recognize that factors relevant to that consumer understanding may include—
 - (i) whether the term is used to refer to the type of good in question, as indicated by competent sources such as dictionaries, newspapers, and relevant websites;
 - (ii) how the good referenced by the term is marketed and used in trade in its territory;
 - (iii) whether the term is used in relevant international standards to refer to a type or class of good in its territory, such as pursuant to a standard promulgated by the Codex Alimentarius;
 - (iv) whether persons other than the person who claims rights in the term use the term as the name for the type of product in question;
 - (v) whether the good in question is imported into its territory, in significant quantities, from a place other than the territory identified in the application or petition, and whether those imported goods are named by the term; and
 - (vi) whether the product associated with the term is manufactured or traded in significant quantities from a place other than the territory identified in the application or petition.

Article 2.17: International Agreements

1. Malaysia shall fully implement each of the following agreements:
 - (a) *Berne Convention for the Protection of Literary and Artistic Works*, done at Berne on September 9, 1886, as revised at Paris on July 24, 1971;
 - (b) *Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure*, done at Budapest on April 28, 1977, as amended on September 26, 1980;
 - (c) *Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks*, done at Madrid on June 27, 1989;
 - (d) *Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled*, done at Marrakesh on June 27, 2013;
 - (e) *Paris Convention for the Protection of Industrial Property*, done at Paris on March 20, 1883, as revised at Stockholm on July 14, 1967;
 - (f) *Patent Cooperation Treaty*, done at Washington on June 19, 1970, as amended on September 28, 1979, and modified on February 3, 1984;
 - (g) *World Intellectual Property Organization (WIPO) Copyright Treaty*, done at Geneva on December 20, 1996; and

- (h) *WIPO Performances and Phonograms Treaty*, done at Geneva on December 20, 1996.

2. Malaysia shall ratify or accede to and fully implement each of the following agreements within two years of the date of entry into force of this Agreement:

- (a) *Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs*, done at Geneva on July 2, 1999;
- (b) *International Convention for the Protection of New Varieties of Plants*, done at Paris on December 2, 1961, as revised at Geneva on March 19, 1991;
- (c) *Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite*, done at Brussels on May 21, 1974;
- (d) *Patent Law Treaty*, done at Geneva on June 1, 2000; and
- (e) *Singapore Treaty on the Law of Trademarks*, done at Singapore on March 27, 2006.

Article 2.18: Notorious Markets for Counterfeiting and Piracy

Malaysia shall take steps to increase enforcement against notorious markets for counterfeiting and piracy within its territory.

Services and Investment

Article 2.19: Submarine Cable Repair

Malaysia shall ensure Malaysia's exemption to the Merchant Shipping Ordinance 1952 [*Ordinance 70/1952*] is permanent, so that non-Malaysian ships are able to conduct submarine cable repairs in Malaysian waters.

Article 2.20: Broadcasting

Malaysia shall remove the requirement in broadcast licensing agreements that broadcast stations devote 80 percent of terrestrial airtime to local Malaysian programming, and Malaysia shall allow broadcasting of foreign programming during prime time.

Good Regulatory Practices

Article 2.21: Adoption and Implementation of Good Regulatory Practices

With respect to the adoption and implementation of good regulatory practices at the central level of government, Malaysia shall—

- (a) ensure that laws, regulations, procedures, and administrative rulings are promptly published and made easily accessible online;

- (b) under normal circumstances,⁷ publish and make easily accessible online the text of proposed regulatory measures,⁸ as well as any regulatory impact analysis, an explanation of the regulation, and its objective;
- (c) conduct public consultations for proposed regulatory measures in a transparent manner; allow adequate time for interested persons, domestic and foreign, to submit comments, taking into account the complexity or possible impact of the proposed regulation; and give consideration to comments received;
- (d) give reasonable notice of planned regulatory measures and publish regulatory policy priorities that will be developed, modified, or eliminated in the near term;
- (e) use publicly accessible high-quality data, evidence, technical information, and risk assessments, where appropriate, during the planning and development of regulation;
- (f) support international regulatory cooperation through the use of, as appropriate, relevant international standards, guides, and recommendations to avoid unnecessary obstacles to trade;
- (g) conduct reviews of regulation in effect to determine whether new information or other changes justify modification or repeal of regulation; and
- (h) use tools, such as regulatory impact analysis, to assess the need for and possible impacts of regulations, which could also include alternative approaches to regulation, where appropriate.

Labor

Article 2.22: Labor Laws and Other Measures

1. To protect internationally recognized labor rights, Malaysia shall—
 - (a) within two years of the date of entry into force of this Agreement, amend its Trade Unions Act 1959 [*Act 262*] to allow migrant workers to hold elected union office without prior authorization; and
 - (b) implement regulations under the Industrial Relations Act 1967 [*Act 177*], including with respect to Section 12A, that specify the manner to obtain sole bargaining rights.

⁷ For purposes of subparagraph (b), “normal circumstances” do not include, for example, situations in which: publication in accordance with subparagraph (b) would render the regulatory measure ineffective in addressing the particular harm to the public interest that the regulatory measure aims to address; urgent problems (for example, of safety, health, or environmental protection) arise or threaten to arise for Malaysia; or the regulatory measure has no substantive impact upon members of the public, including persons of the United States.

⁸ For purposes of this Article, “regulatory measures” means measures of general application adopted, issued, or maintained by a regulatory authority with which compliance is mandatory, except: general statements of policy or guidance that do not prescribe legally enforceable requirements or measures concerning: (i) military, foreign affairs, or national security functions of the Government; (ii) public sector management, including personnel, pensions, public property, loans, grants, benefits, or contracts; (iii) departmental organization, procedure, or practice; or (iv) taxation, financial services, anti-money laundering, monetary policy, exchange rate policy, or government procurement. For greater certainty, a regulatory authority at the central level of government does not include legislatures or courts.

2. To facilitate the elimination of all forms of forced or compulsory labor, Malaysia shall—
 - (a) prohibit the charging of recruitment fees and related costs to workers in Malaysia and, where applicable, prior to their migration to Malaysia. The law may provide that such recruitment fees and related costs be paid by employers; and
 - (b) increase transparency around migrant worker quota systems and Memoranda of Understanding (MOUs) with third countries that regulate recruitment processes and procedures.

Article 2.23: Enforcement of Labor Law

To facilitate the effective enforcement of its labor law, Malaysia shall—

- (a) train officials, including police, labor inspectors, and immigration officials, on standard operating procedures for the identification of victims of forced labor and increase law enforcement capacity to investigate and prosecute forced labor cases;
- (b) effectively identify and address labor law violations in sectors with a high risk of forced labor and child labor, such as manufacturing and agriculture, by increasing risk-based and unannounced inspections; and
- (c) expand efforts to inform migrant workers of their rights under Malaysia’s labor law, including their right to maintain access to their passports at any time, and their options for legal recourse against exploitation.

Environment

Article 2.24: Environmental Law

1. Malaysia shall ensure that its environmental laws and policies provide for, and encourage, high levels of environmental protection.
2. Malaysia shall effectively enforce its environmental laws.

Article 2.25: Illegal Logging and Associated Trade

1. Malaysia shall take measures to combat, and cooperate with the United States to prevent, trade in illegally harvested forest products.
2. Malaysia shall improve forest sector governance, including by taking the following actions:
 - (a) fully implement existing laws and regulations for forest sector governance and strengthen institutions responsible for enforcing these laws;
 - (b) establish or uphold an independent forestry oversight body to supervise timber concessions and permits, including creating a unified national framework to promote coordination and data sharing among state and federal bodies for joint enforcement operations;

- (c) strengthen prosecution of forest sector offenses under Malaysia’s laws and regulations, including by increasing the training and number of enforcement and prosecution personnel;
- (d) develop and implement an anti-corruption plan for officials charged with the administration and control of forest resources; and
- (e) strengthen intergovernmental institutions to support these commitments.

Article 2.26: A More Resource Efficient Economy

1. Malaysia shall take measures to promote a more resource efficient economy. Such measures may include addressing trade barriers that inhibit a more resource efficient economy; encouraging innovation that promotes circularity, for example through improving resource efficiency in product design; and promoting trade facilitative approaches to enable reverse supply chains.

2. Malaysia shall take measures to promote the recovery of critical minerals from domestic waste streams. Such measures may include encouraging regulations, infrastructure, or technologies to expand the collection of electronic waste and spent lithium-ion batteries for recycling and recovering critical minerals.

Article 2.27: Fisheries Subsidies

1. Malaysia shall fully implement the obligations of the WTO *Agreement on Fisheries Subsidies* (AFS), notwithstanding Article 12 of the AFS.

2. In addition, Malaysia shall ensure its fisheries subsidies do not contribute to overcapacity and overfishing, including through the use of robust fisheries management regimes and reform of such subsidies.

Article 2.28: Sustainable Fisheries Management and Illegal, Unreported, and Unregulated Fishing

1. Malaysia shall operate a sustainable fisheries management system that regulates marine wild capture fishing and promotes the long-term conservation of marine species including sharks, sea turtles, seabirds, and marine mammals.

2. Malaysia shall strengthen enforcement of fisheries-related laws, regulations, and other measures to effectively combat illegal, unreported, and unregulated (IUU) fishing and deter trade in products from IUU fishing, including through—

- (a) taking steps towards ratification of the *Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing* (PSMA) and the deposit of its instrument of accession. Until the PSMA enters into force for Malaysia, Malaysia shall take measures to implement port state measures, including through actions consistent with the PSMA;
- (b) adopting or strengthening measures to deter vessels flying its flag and its nationals from engaging in IUU fishing; and
- (c) preventing the transshipment at sea of fish caught through IUU fishing or fish products derived from IUU fishing.

Article 2.29: Combating Illegal Wildlife Trade and Associated Crimes

Malaysia shall take measures to combat, and cooperate to prevent, the trade of wild fauna and flora that, based on credible evidence,⁹ were taken or traded in violation of Malaysia's domestic law or another applicable law¹⁰, including through the following actions:

- (a) take measures to enhance the effectiveness of inspections of shipments containing wild fauna and flora, including parts and products thereof, at ports of entry;
- (b) take measures to combat the trade of wild fauna and flora transshipped through its territory that, based on credible evidence, were illegally taken or traded;
- (c) treat intentional transnational trafficking of wild fauna and flora as a serious crime, as defined in the *United Nations Convention on Transnational Organized Crime*; and
- (d) take measures to dismantle organized trafficking networks involved in nature crimes.

Article 2.30: Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

Malaysia shall strengthen implementation of CITES to ensure legal and sustainable trade of CITES-listed species, including compliance with CITES reporting requirements for species listed in Appendix I of CITES, such as pangolins.

Customs and Trade Facilitation

Article 2.31: Express Shipments

1. For express shipments from the United States, Malaysia shall allow for the electronic submission of pre-arrival declaration data and require all border agencies to conclude their processing of such data prior to arrival, in order to allow for the immediate release of low-risk shipments without transfer to a customs bonded area or warehouse.
2. Within five years of the date of entry into force of this Agreement, Malaysia shall endeavor to implement periodic payment for express shipments.
3. Malaysia shall ensure its fees and charges on express shipments are limited to the cost of services rendered and are capped if they are charged on an *ad valorem* basis.

Article 2.32: Protection of Proprietary Data

Malaysia shall protect from unauthorized disclosure proprietary data submitted by U.S. traders to the Royal Malaysia Customs Department (RMCD).

⁹ For greater certainty, for the purposes of this paragraph, each Party retains the right to determine what constitutes "credible evidence".

¹⁰ For greater certainty, "another applicable law" means a law of the jurisdiction where the take or trade occurred and is only relevant to the question of whether the wild fauna and flora has been taken or traded in violation of that law.

Section 3. Digital Trade and Technology

Article 3.1: Regulation of Social Media Platforms and Cloud Providers

1. Malaysia shall remove the requirement for U.S. social media platforms and cloud providers to contribute six percent of their revenue generated in Malaysia to a domestic fund in order to operate in Malaysia.
2. Malaysia shall administer its domestic laws and regulations for social media platforms and cloud providers in a transparent, impartial, and non-discriminatory manner, and in accordance with the principles of due process.

Article 3.2: Domain Name System (DNS) Traffic

Malaysia shall repeal or permanently suspend the directive redirecting all DNS traffic to local DNS services.

Section 4. Rules of Origin

This section is intentionally blank.

Section 5. Economic and National Security

Article 5.1: Cooperation on Excess Capacity in the Steel Sector

Malaysia shall join the Global Forum on Steel Excess Capacity and take effective actions to address global excess capacity in the steel sector and its impacts.

Article 5.2: Equipment and Platform Security

1. Malaysia commits to only using communication technology suppliers that do not compromise the security, safeguards, and intellectual property of ICT infrastructure, including 5G, 6G, communication satellites, and undersea cables. The United States and Malaysia will consult on whether suppliers are unable to meet these standards.
2. Malaysia shall ensure that its ports, port terminals, and logistics tracking networks, and its commercial fleet, use digital logistics platforms that provide appropriate cybersecurity protection, protection against the unauthorized disclosure of data, protection against national security risks, and protection against data-access by other foreign governments.

Article 5.3: Export Controls

1. Malaysia, through its domestic regulatory process, shall restrict the unauthorized export, reexport, and in-country transfer of U.S.-origin or U.S.-controlled items subject to the Export Administration Regulations unless the exporter presents U.S. Department of Commerce's Bureau of Industry and Security (BIS) reexport authorization or demonstrates no BIS authorization is required.

2. Malaysia, through its domestic regulatory process, shall screen and share its customs and transaction data related to U.S.-origin or U.S.-controlled items to identify transactions of concern to U.S. authorities, including BIS or its surrogate, and shall adopt and implement measures to prevent and address violations of U.S. export controls.

3. Malaysia shall support the expansion and resourcing of domestic export control enforcement mechanisms, including strengthening civil and criminal penalties and auditing or investigative capabilities, and shall partner with the United States on such enforcement actions, where appropriate, in accordance with its domestic laws and regulations, including sharing information when violations may have occurred and cooperating on investigations. The United States shall cooperate with Malaysia on these efforts, as appropriate.

Article 5.4: Antidumping and Countervailing Duty Cooperation

Malaysia agrees to expand cooperation and exchange information, as appropriate, in accordance with its domestic laws and regulations pertaining to the protection of confidential information, related to our respective antidumping and countervailing duty proceedings (to include circumvention inquiries).

Article 5.4: Other Commitments

Malaysia commits to renew the Acquisition and Cross-Servicing Agreement, and further commits to negotiate and conclude a new Communications Interoperability and Security Memorandum of Agreement.

Section 6. Commercial Considerations

Article 6.1: Purchases

Malaysia intends to purchase, or to facilitate the purchase by Malaysian companies, of originating goods of the United States, including U.S. automotive, aviation, maritime, and rail goods, as appropriate.

Article 6.2: Critical Minerals

1. Malaysia shall refrain from banning critical mineral exports to the United States and shall eliminate any rare earth element export quotas to the United States.

2. Malaysia shall commit to the expedient development of its rare earth and critical minerals sector in partnership with U.S. companies to ensure secure and diversified supply chains. Malaysia shall provide greater certainty for companies involved in critical mineral extraction, including granting extended operating licenses with a focus on enhancing their technical capabilities, creating certainty for businesses to increase production capacity, and supporting operational growth.

3. Malaysia agrees to encourage a supply of rare earth magnets on terms favorable to the United States, subject to mutually agreed upon arrangements. Malaysia shall not impose restrictions on the sale of rare earth magnets to U.S. companies.

Annex IV: Purchases and Investment

A. PROCUREMENT

1. Aircraft
 - Purchase by Malaysia Aviation Group (MAG) of 30 Boeing aircraft plus a purchase option for 30 additional aircraft.
2. Security Equipment
 - Purchase of security equipment valued at USD67 million.
3. Liquefied Natural Gas (LNG)
 - Purchase by Petronas of three million tonnes per year (MTPA) of U.S. LNG valued at approximately USD2.04 billion per year.
 - Potential purchase of an additional two MTPA, valued at approximately USD1.36 billion.
4. Semiconductors, Aerospace Components & Equipment, and Data Centre Equipment
 - For a period of five years, from 2025 to 2029, purchase by Malaysian multinational companies (MNCs) of semiconductors, aerospace components and equipment, and data center equipment from U.S. companies with an estimated value of USD150 billion, as set out in Appendix 1.
5. Coal
 - Tenaga National Berhad (TNB) has an active two-year Coal Purchase Contract with a U.S. coal supplier, with an estimated contract value of USD42.55 million per year.
6. Telecommunication
 - Purchase by Telekom Malaysia of U.S. products and services with an estimated value of USD119 million.

B. INVESTMENT

1. Manufacturing
 - Potential investments in various sectors, including manufacturing and manufacturing-related services, valued at USD66 million.
2. Capital Fund
 - Pursuant to Article 6.1.3, capital investment of USD70 billion over the next 10 years (on average USD7 billion annually).

Appendix 1

**Items to Be Procured by Malaysian MNCs
Over the Next Five (5) Years**

Industry	List of Goods	Estimated Cost (USD)
Semiconductor	Machinery and Equipment for design & development, front-end process such as wafer fabrication & processing, and back-end equipment such as burn-in/test/finish/marketing, and packaging materials Critical Materials Consumables and Components such as Wafer/Die, Substrates, Epoxy, Flux, Resistor/Capacitor, Heat Spreader, Encapsulant, Thermal	103 billion
Aerospace	Aircraft fleet, engines, various aircraft parts, ground support equipment for maintenance and handling, maintenance, repair and overhaul equipment such as specialized machinery, equipment, tools, consumables and raw materials, avionics and system integration parts, components and equipment.	3.5 billion
Data Center	Machinery & Equipment for Data Center/Graphic Processing Unit Servers, Switches, Networks, Switches, Boards, Oscilloscopes & Analyzers, Instruments and Measuring Apparatus.	43.5 billion