



December 2022

EU-MALAYSIA RELATIONS

PARTNERSHIP AND COOPERATION AGREEMENT

The EU and Malaysia share a close partnership grounded in strong mutual interests on trade and investment, sustainable development, security, defence as well as human rights. Malaysia is a natural hub for the South-East Asia region and beyond.



NEW FRAMEWORK FOR COOPERATION

The EU and Malaysia signed a Partnership and Cooperation Agreement (PCA) on 14 December 2022. This is the first bilateral agreement of such between the EU and Malaysia and a substantial leap in EU-Malaysian relations.

The PCA will frame cooperation in years to come and will enhance political dialogue and cooperation on a wide number of policy areas. The PCA will enter into force once it has been ratified by the EU Member States and Malaysia. A Joint Committee will ensure the proper functioning of the Agreement.

The PCA will be underpinned by the EU's Global Gateway strategy and the EU Strategy on the Indo-Pacific. The EU will support cooperation with Malaysia through a new Cooperation Facility with €20 million for the period of 2021-2027, as well regional programmes worth €180 million.



SUSTAINABLE DEVELOPMENT AND CONNECTIVITY

Human rights, health, governance, social affairs, transport, educational links



ECONOMIC COOPERATION

Agriculture, fisheries, sustainable financing & supply chains, digital solutions, infrastructure



CLIMATE, ENERGY AND ENVIRONMENT

Smart cities, climate change, green transition, renewable energy, energy efficiency, deforestation



EDUCATION, RESEARCH AND INNOVATION

People-to-people connectivity, culture, Erasmus+, Horizon Europe, technology



SECURITY COOPERATION

Counter-terrorism, organised crime, human trafficking, migration, non-proliferation, corruption

SUSTAINABLE DEVELOPMENT AND CONNECTIVITY

The EU and Malaysia work to promote green and inclusive sustainable development as well as sustainable connectivity. The EU supports a wide range of cooperation projects in Malaysia in areas such as human rights and sustainable economic development, through the Malaysian authorities and civil society organisations.

Digital connectivity

The PCA will enhance new digital connectivity projects with Malaysia. Digital infrastructure, such as submarine fibre-optic cables, allowing rapid, reliable and secure exchange of data between our regions, is also an essential area of the Global Gateway strategy.



The EU toolbox for 5G security increases cybersecurity and could be promoted in the years to come, since Malaysia has appointed Swedish telecommunications giant Ericsson (ERICb.ST) as its partner to develop its 5G network and ecosystem.

Sustainable Connectivity through Global Gateway

During the EU-ASEAN Summit, the EU launched a Global Gateway Flagship Team Europe Initiative to enhance cooperation with ASEAN on trade and sustainable value chains; economic, transport, energy and digital connectivity; and on people-to-people connectivity in the area of higher education.

The Initiative will build on existing cooperation programmes, such as the regional integration and trade facilitation programme [ARISE+](#) and the higher education cooperation programme [SHARE](#).



CLIMATE, ENERGY AND ENVIRONMENT

The PCA ensures increased cooperation and exchange of best practices in bilateral and multilateral fora to resolve climate, energy, environmental and biodiversity challenges. EU-Malaysia cooperation will focus on the development of renewable energies, among others renewable hydrogen, and energy efficiency, as well as green technologies and critical raw materials necessary for a fair and clean energy transition.

Regional cooperation

The EU and Malaysia cooperate at regional level inter alia through the ASEAN-EU High-Level Dialogue on Environment and Climate Change on issues such as greenhouse gas emissions reduction (e.g. methane), circular economy, plastics pollution and forest biodiversity.

There is also a Green Team Europe Initiative launched by the European Union last year in partnership with South East Asia. The Enhanced Regional EU-ASEAN Dialogue Instrument (E-READI) supports dialogue on a wide range of topics, including the environment. At the EU-ASEAN Commemorative Summit, both sides also established an EU-ASEAN Energy Dialogue.

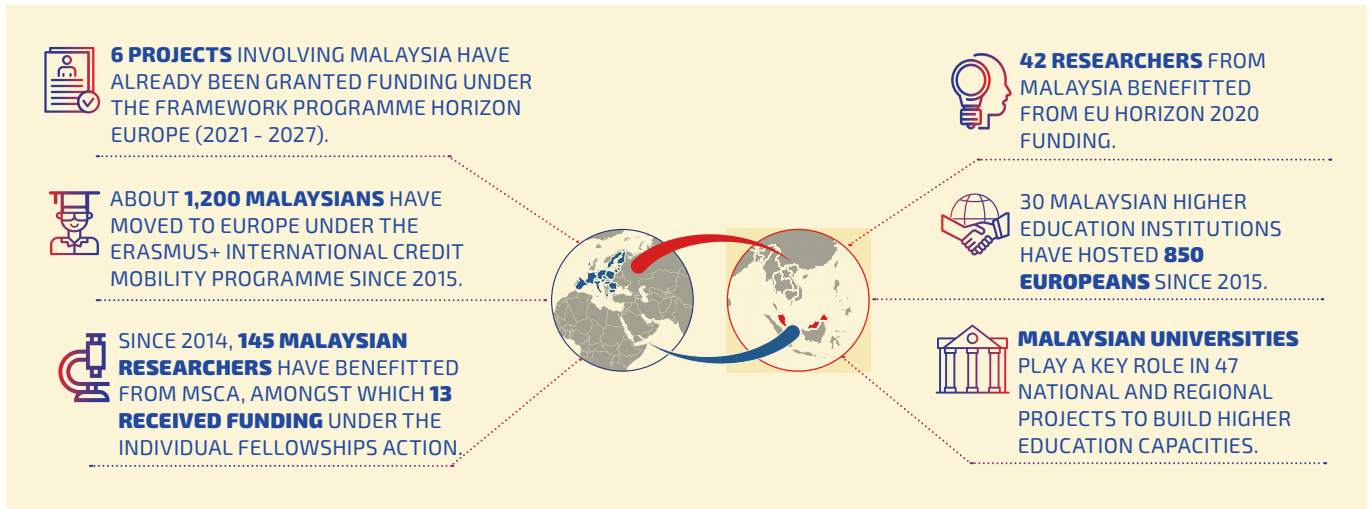


Deforestation and palm-oil

Cooperation will include further engagement on deforestation, also following the recent agreement between the European Parliament and Council of the EU on the Deforestation Regulation. The EU and Malaysia, together with Indonesia, recognise the importance of the Working Group on Palm Oil, as well as the ongoing KAMI project for developing and enriching the constructive dialogue on sustainability issues relating to palm oil.

EDUCATION, RESEARCH AND INNOVATION

The EU and Malaysia work together to improve people-to-people connectivity through cooperation on education, research and innovation. The PCA and Global Gateway will expand this cooperation.



SECURITY COOPERATION

The EU and ASEAN work together to find peaceful and inclusive solutions to conflicts, restoring democracy, while respecting principles of international law and the UN Charter. The EU and Malaysia cooperate in the area of counterterrorism and de-radicalization, fighting trafficking of human beings and drugs.

The EU and Malaysia will intensify collaboration on security including on maritime matters, cyber security and in the defence sector both bilaterally and within the ASEAN framework, such as in the context of CRIMARIO and the "Enhancing Security Cooperation in and with Asia" (ESIWA) project.