

Client Alert

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Malaysia: Reopening of Economic Sectors

On 1 May 2020, the Malaysian Prime Minister announced that all economic sectors can operate from 4 May 2020 save for those set out in a negative list issued by the National Security Council ("**NSC**") ("**Restricted Activities**"). Restricted Activities generally relate to activities that involve public gatherings which could potentially increase the risk of COVID-19 infections. Businesses which are allowed to operate must comply with the standard operating procedures ("**SOPs**") prescribed by the NSC.

The NSC has listed 23 categories of Restricted Activities and businesses that continue to be prohibited. These include:

| Sectors | Restricted Activities |
|----------------------------|--|
| Banking and finance | sales and marketing activities outside the premises of financial institutions or at public places |
| Hotel and tourism | usage of hotel facilities such as prayer room, gymnasium, spa, sauna, lounge, swimming pool, conference rooms, seminar halls, training rooms, restaurant and café (for buffets) |
| Businesses / retail / F&B: | overcrowding of customers at business premises, Ramadan bazaars, Raya bazaars |
| Transportation | cruise ships |
| Culture and art | exhibitions involving interactions between artists and guests |
| Entertainment / recreation | cinemas, karaoke establishments, reflexology centres, entertainment centres, theme parks, museums, and busking |
| Sports | sports competition involving an assembly of supporters or spectators, outdoor events involving more than 10 individuals (for example running, cycling, motorcycle convoys, etc), indoor sports, swimming and contact sports (such as rugby, boxing, football and basketball) |



| Sectors | Restricted Activities |
|---|---|
| Social / religious gatherings | religious parades, congregational religious activities at mosques / places of worship, banquets, wedding receptions, Raya celebrations (except with immediate family members) |
| Fairs and exhibitions | sale carnivals, career fairs, wedding fairs, tour promotions, conferences involving crowds |
| Installation and maintenance of machineries for the service sector / tower crane at construction site | carrying out works in a group of more than ten (10) people |

A complete list of the Restricted Activities and businesses prohibited from operating is set out on the official website¹ and social media pages of the NSC.

Travel restrictions

Inter-state travel is still not permitted until 12 May 2020, except:

- (a) for work; and
- (b) to return to one's own residence from hometowns or other places where people have been required to remain pursuant to the Movement Control Order.

It is unclear if police approval is required for the above purposes. We anticipate further clarification to be issued in this regard.

SOPs

All businesses open for operations must comply with the relevant SOPs issued by the NSC.

General SOP

Pursuant to the General SOP, businesses must amongst other requirements:

- (a) practise health safety measures such as social distancing and the mandatory use of face masks in certain circumstances;
- (b) maintain a high level of hygiene, including washing hands with soap or hand sanitiser frequently, making available hand washing / hand sanitiser to all workers and customers, and sanitising the premises at least two (2) times daily;
- (c) practise COVID-19 preventive measures such as screening of employees for COVID-19 symptoms on a daily basis; and
- (d) avoid all forms of public gatherings including social gatherings, team sports activities, religious and festive celebrations.

¹ <https://www.mkn.gov.my/wp-content/uploads/2019/07/26-Negative-Listing.pdf>



Sector-specific SOPs

In addition, the NSC has issued individual SOPs for 24 economic sectors, which include amongst others:

- | | |
|---------------------------|----------------------------------|
| (a) finance | (h) logistics and transportation |
| (b) retail | (i) hospitality |
| (c) oil and gas | (j) communication |
| (d) manufacturing | (k) construction |
| (e) professional services | (l) healthcare |
| (f) food | (m) security services |

The sector-specific SOPs contain additional restrictions and protocols relating to permitted operating hours and additional steps to be taken during the hours of operations specific to that business.

Recommended measures at workplace

The government has also recommended the following measures to be implemented by businesses:

- (a) implement flexible working hours to avoid overcrowding in public transport and at the workplace;
- (b) encourage employees to work from home (if possible); and
- (c) schedule work arrangements to allow for alternative working days in the office and at home.

MySejahtera and MyTrace applications

The government has introduced the *MySejahtera* and *MyTrace* mobile applications to facilitate COVID-19 contact tracing by the Ministry of Health in the event of any new COVID-19 infection clusters. These mobile apps are anticipated to alert registered users of increased COVID-19 risk.

Conclusion

The announcement has been well received by the business community. Businesses should ensure full compliance with the relevant SOPs to mitigate risk of the spread of COVID-19 and to mitigate risk of enforcement action.

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