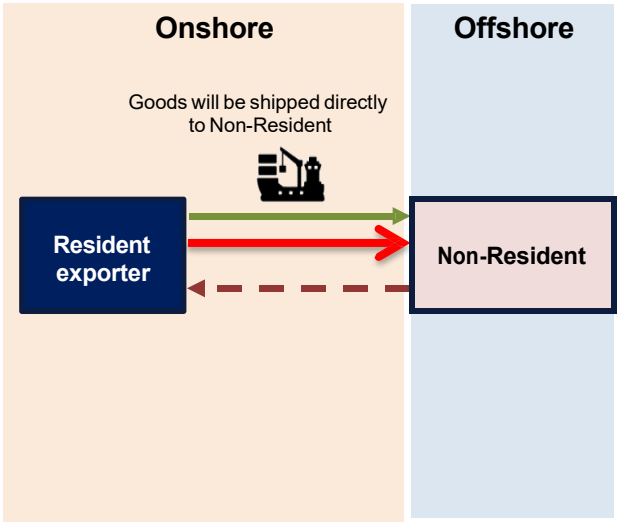
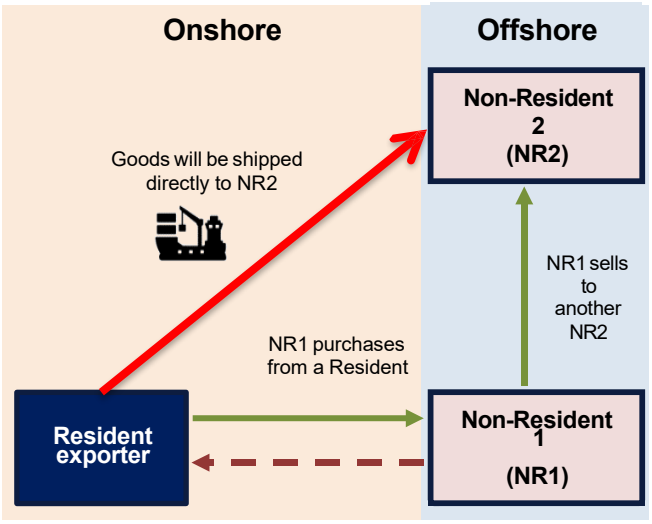
Export of Goods (Notice 7)	
Question	**Answer**
Export of goods	
1. What is the scope of export of goods? • Any movement or transfer of goods by land, sea or air from Malaysia to any territory outside of Malaysia; or • Any transfer of ownership in goods originated from Malaysia by a resident to a non-resident abroad or a Labuan entity which was declared by the Bank as a non-resident.	



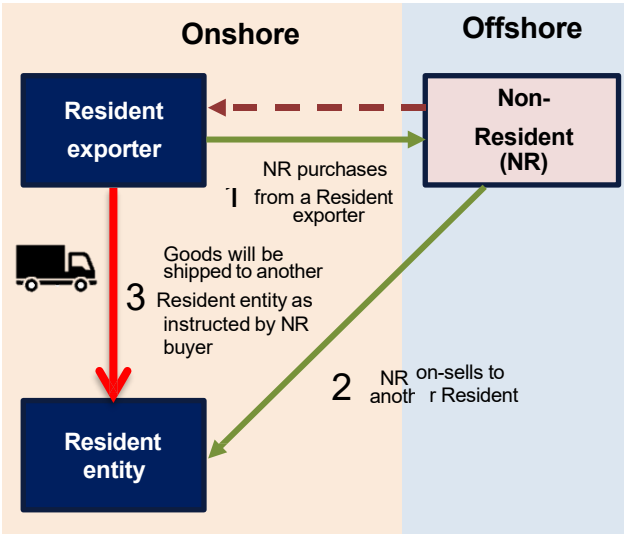
Scenario 1: A resident exports goods to a non-resident



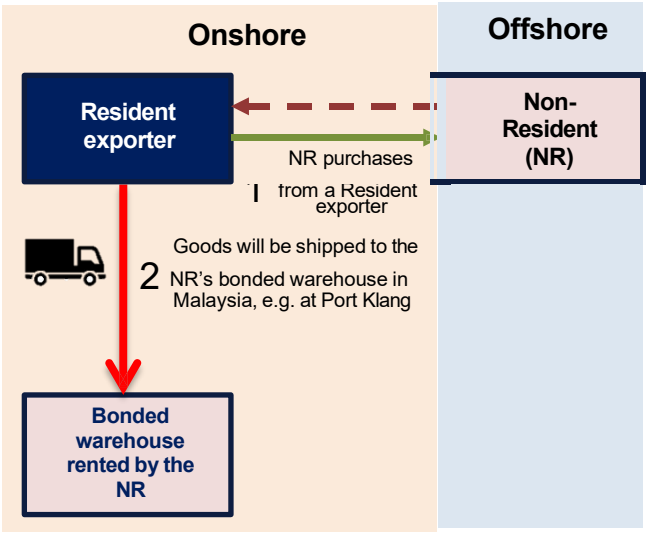
Scenario 2: A non-resident on-sells to another non-resident



Scenario 3: Transfer of ownership although goods remain onshore



Scenario 4: Transfer of ownership to a non-resident's bonded warehouse



Repatriation of export proceeds	
2. Can a resident exporter retain foreign currency (FC) export of goods proceeds overseas?	• No. The resident exporter must repatriate into Malaysia the full value of export of goods proceeds either in ringgit or FC within 6 months from the date of shipment. • The proceeds can be retained in ringgit account or Trade Foreign Currency Account (Trade FCA) maintained with onshore banks[1].
3. Does the repatriation requirement apply to FC proceeds from export of services and merchanting trade[2]?	• No, the repatriation requirement applies to export of goods only.
4. Are export proceeds from toll manufacturing[3] activity performed by a resident for a non-resident deemed as export of goods?	• Yes, they are subject to requirements as stipulated in Notice 7.
5. Is there a timeline to repatriate the proceeds of export of goods?	• Yes, export proceeds shall be repatriated immediately upon receipt of payment which shall be within 6 months from the date of shipment. Thus, credit term given to non-resident clients shall not exceed 6 months from shipment date. • Additionally, the repatriation timeline can be extended up to 24 months for permitted reasons (see Q6 below). Under such circumstances, the credit terms can be further extended from 6 months up to 24 months without prior approval from BNM. • In the event where there remains outstanding proceeds from export of goods which are yet to be received by the resident exporter after 24 months from the date of shipment, the resident exporter shall **notify** BNM within 21 days after the end of each calendar year via https://bnm.gov.my/fep (see Appendix 1 on the notification process through FEP Portal)

[1] Onshore banks refer to licensed banks and licensed investment banks under the Financial Services Act 2013 or licensed Islamic banks under the Islamic Financial Services Act 2013.
[2] Merchanting trade here refers to the selling of goods to a non-resident where the goods are shipped from an overseas location to another overseas location without entering or leaving the territory of Malaysia.
[3] Toll manufacturing performed by resident for non-resident refers to an arrangement where the resident receives semi-finished goods from non-resident for further processing and onward selling to the non-resident.

6.	What are the permitted reasons considered for the 24-month repatriation flexibility?	• The permitted reasons refer to a situation where: (a) a resident exporter has **no control over the delay** in receiving such proceeds of export of goods, **including but not limited to**: i) Buyer in financial difficulties; ii) Buyer cancels, delays, disputes or does not respond to request for payments iii) Restriction on foreign exchange transactions in the buyer's country; iv) Quality and/or quantity claims; or v) Incidence of fraud. (b) **credit terms** provided by a resident exporter of up to 24 months for: i) Consignment sale; or ii) Goods that involve testing and commissioning.
7.	Does the requirement on export of goods apply to all residents including individual, sole proprietorship and general partnership?	• Yes, other than export of goods by a resident individual for personal consumption.

8. How is the 6 months period for repatriation of export of goods computed?
   - It is calculated from the date of shipment.

Illustration 1:
If payment for proceeds of export of goods is received **within 6 months** from the date of shipment, approval from Bank Negara Malaysia (BNM) is not required.

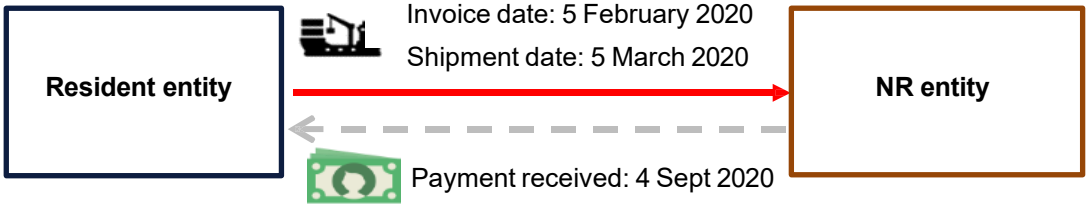
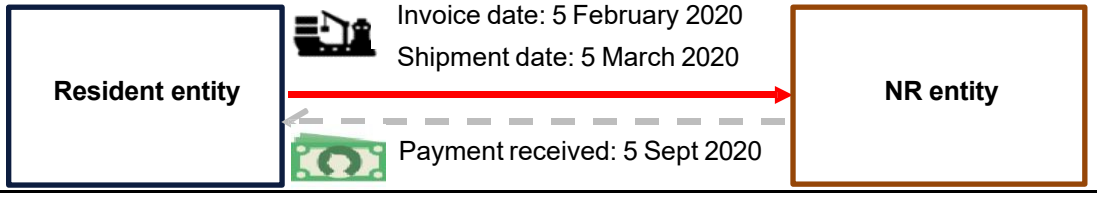


Illustration 2:
If payment for proceeds of export of goods is received **after 6 months** from the date of shipment other than arising from the permitted reasons (up to 24 months from the date of shipment), approval from BNM **is required**. Application for approval from BNM shall be submitted prior to expiry of the 6 months period.



9. Can a resident exporter consolidate export of goods proceeds abroad before repatriating them to Malaysia? (new)	• No. The resident exporter must repatriate the full value of export of goods proceeds immediately and directly into Malaysia upon receipt. • Exporters may not retain the proceeds at any account overseas for any specific period.
Retention of export proceeds in foreign currency	
10. Upon repatriation to Malaysia, can a resident exporter retain the export proceeds in FC?	• Yes, a resident exporter can freely retain any amount of export proceeds in FC in its Trade FCA maintained with a licensed onshore bank or convert to ringgit according to its FC and ringgit cash flow needs.
11. Is there a time limit on the retention of the FC proceeds in Trade FCA?	• There is no time limit for retention of export proceeds in Trade FCA.
Offsetting and Writing-Off Arrangements	
12. What is the approved offsetting and writing-off arrangements?	• Export proceeds can be offset against the following FC obligations with a non-resident: (a) Import of goods or services; (b) Warranty claims; (c) Dividend payments; (d) Other current account transactions (e.g. management fees); or (e) Repayment of FC borrowing. This includes global offsetting arrangement undertaken by a resident exporter through its non-resident treasury management centre (TMC) for the above FC obligations. • Additionally, export proceeds also can be written-off due to the following reasons: (a) Liquidation of the non-resident buyer; or (b) Unable to receive export proceeds from the non-resident buyer at least 24 months from date of shipment despite following up with the buyer.
13. Can a resident exporter offset export proceeds against anticipated FC obligations in the future?	• No, the offsetting flexibility is only for incurred FC obligations based on firm commitment. Otherwise, the resident exporter shall repatriate export proceeds to Malaysia in full value.
14. Does a resident exporter need to provide supporting documents to a licensed onshore bank to be eligible for such flexibility?	• Yes, to substantiate that its export proceeds are being offset against the permitted reasons only, subject to the licensed onshore bank's due diligence process.

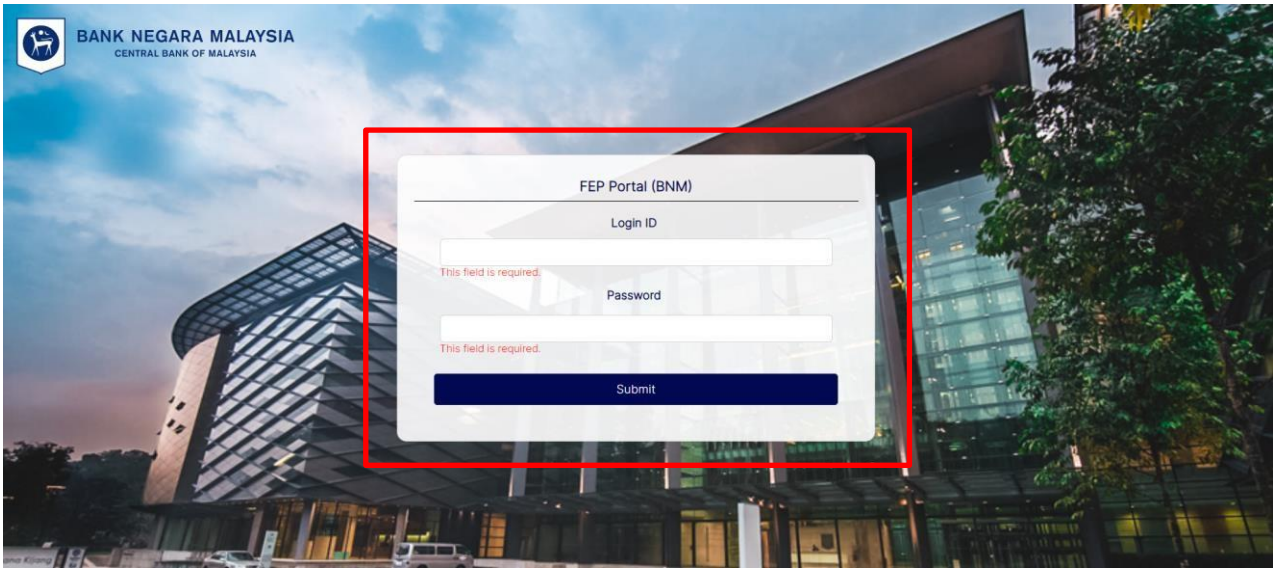
15. Can a resident exporter offset export proceeds against its investment abroad or its commodity hedging contract (entered directly with a non-resident counterparty)?	• No, resident exporter is not allowed to undertake such offsetting of export proceeds.
Trade Foreign Currency Account (Trade FCA)	
16. Can a resident exporter open multiple Trade FCA with onshore banks?	• Yes, subject to the due diligence process of the individual onshore banks.
17. What can the retained FC funds be used for?	• The retained FC can be used among others to meet FC obligations such as import payment and FC borrowing repayment. • The use of export proceeds for investment in FC asset shall be subject to the investment in FC asset limit as stipulated in Notice 3 (Investment in Foreign Currency Assets).
18. Can a resident without export proceeds convert ringgit into FC to pay import and borrowing obligations?	• Yes, conversion of ringgit into FC to pay for import and borrowing obligations is allowed.
19. Is a resident exporter allowed to transfer FC funds from Trade FCA to Investment FCA or vice versa?	• Yes, the transfer of funds from Trade FCA to Investment FCA is allowed and is subject to the requirements of Notice 3. • There is no restriction for transfer of funds from Investment FCA to Trade FCA or between the same type of FCA (i.e. Trade FCA to Trade FCA, or Investment FCA to Investment FCA) of the same account holder.
Reporting and notification	
20. Does a resident exporter need to submit any report on exports of goods to BNM?	• A resident exporter that meets the requirement as stipulated in Part C of Notice 7 shall submit a report on Export of Goods **as and when required by BNM.** • If a resident exporter is required to submit export of goods report, such requirement will be communicated to the exporter via a letter from BNM.
21. Can a resident exporter combine both submission of application for approval and notification?	• Applications for approval and notification cannot be combined and must be submitted **separately**.

Bank Negara Malaysia
Updated: 1 October 2026

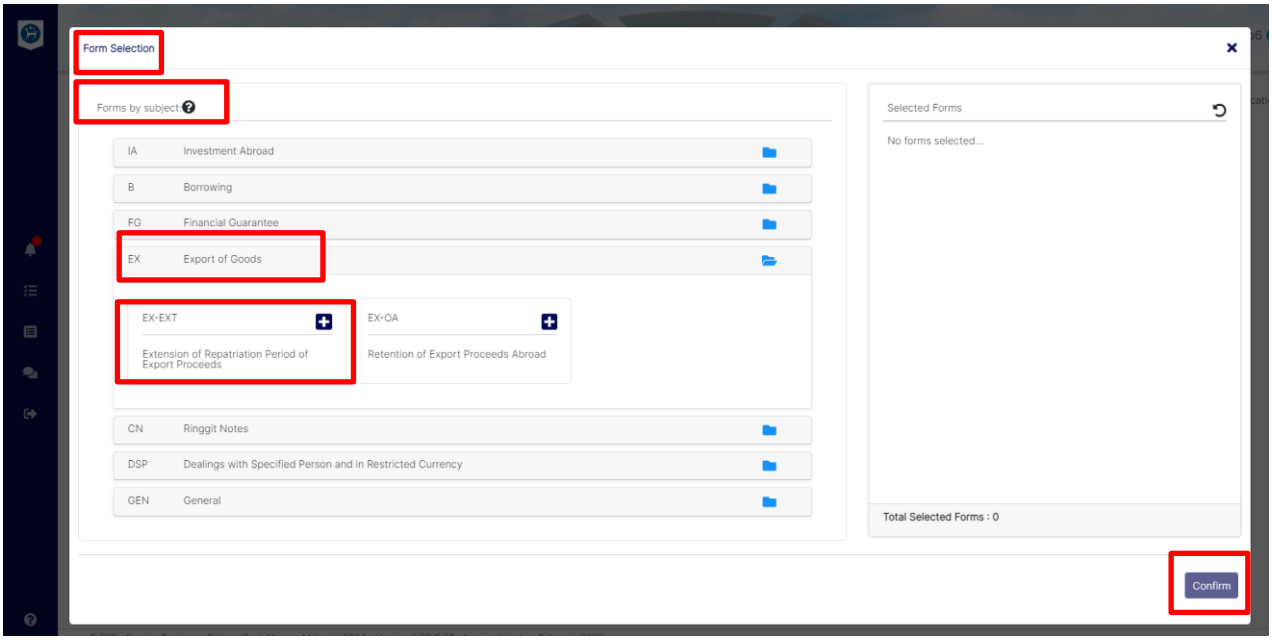
Appendix 1

Guidelines for Notification on Extension of Export Proceeds Beyond 24 months

1. A resident exporter (RE) is required to notify BNM **within 21 days after end of each calendar year** via https://bnm.gov.my/fep on the outstanding export of goods proceeds that have yet to be received after 24 months from the date of shipment.



2. Upon successful logging into FEP Portal, RE may proceed to click on FEP Portal's Application menu -> Submit Application -> Form Selection -> Forms by subject -> select "**Export of Goods**"- > select Ex-EXT form i.e. "**Extension of Repatriation Period of Export Proceeds**" and click **Confirm** button.



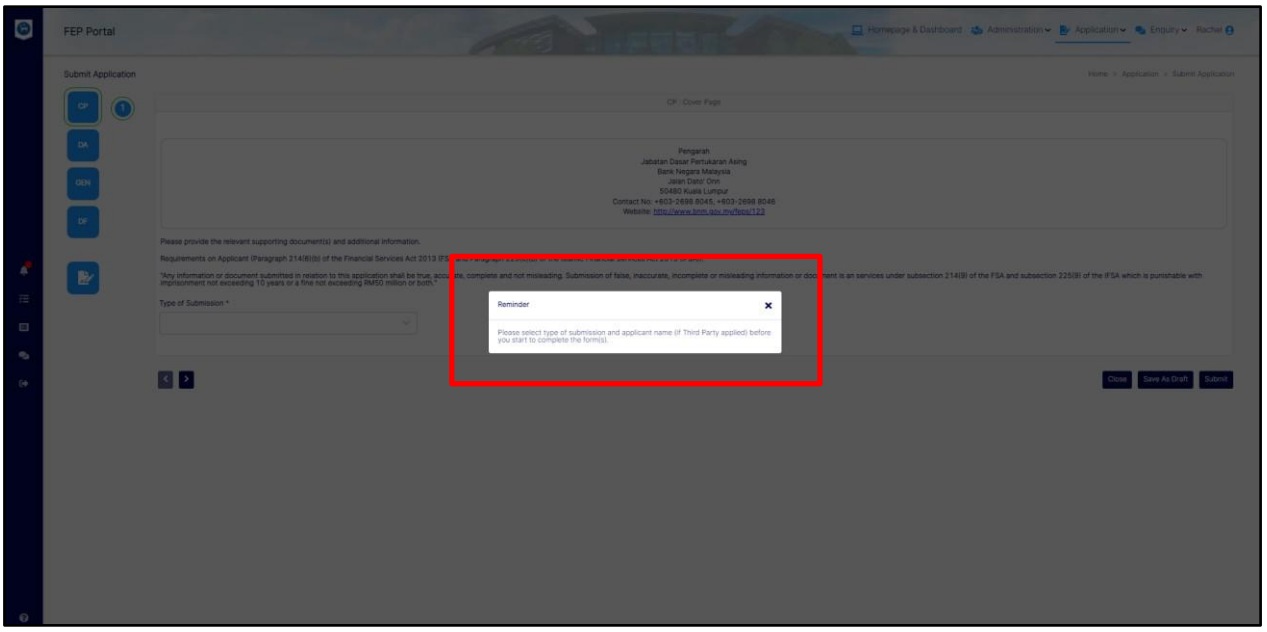
3. At Submit Application cover page, under Type of Submission menu, RE is required to select either the notification is for:

    a. Own Submission; or

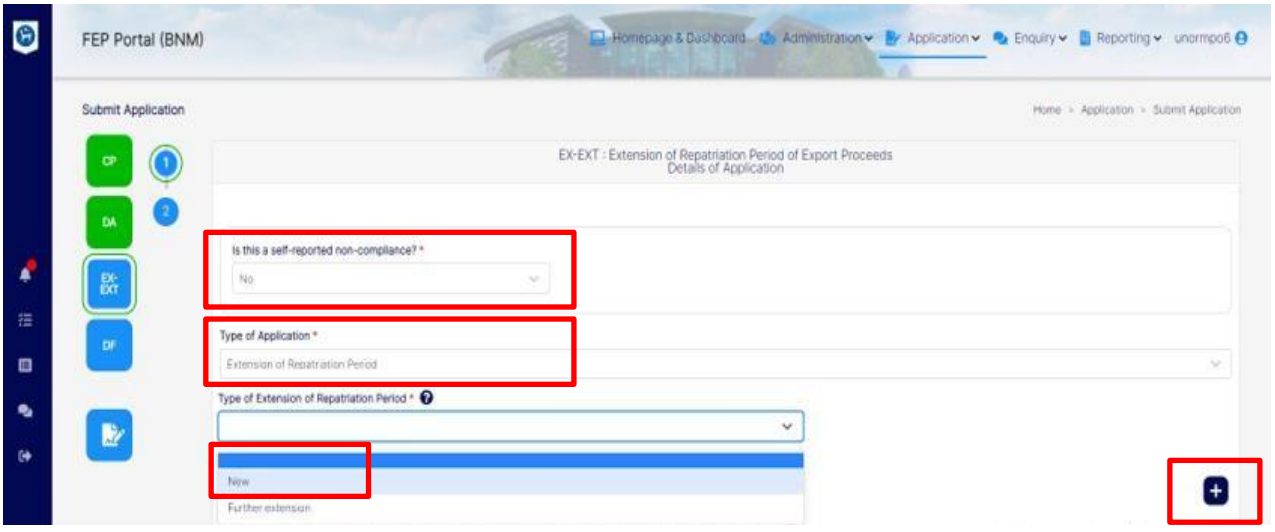
    b. on behalf of another RE i.e. Third-Party Submission.

    If Third-Party Submission is selected, then the respective RE name whose notification on behalf is submitted for must be provided. Upon which, respective required details must be provided.

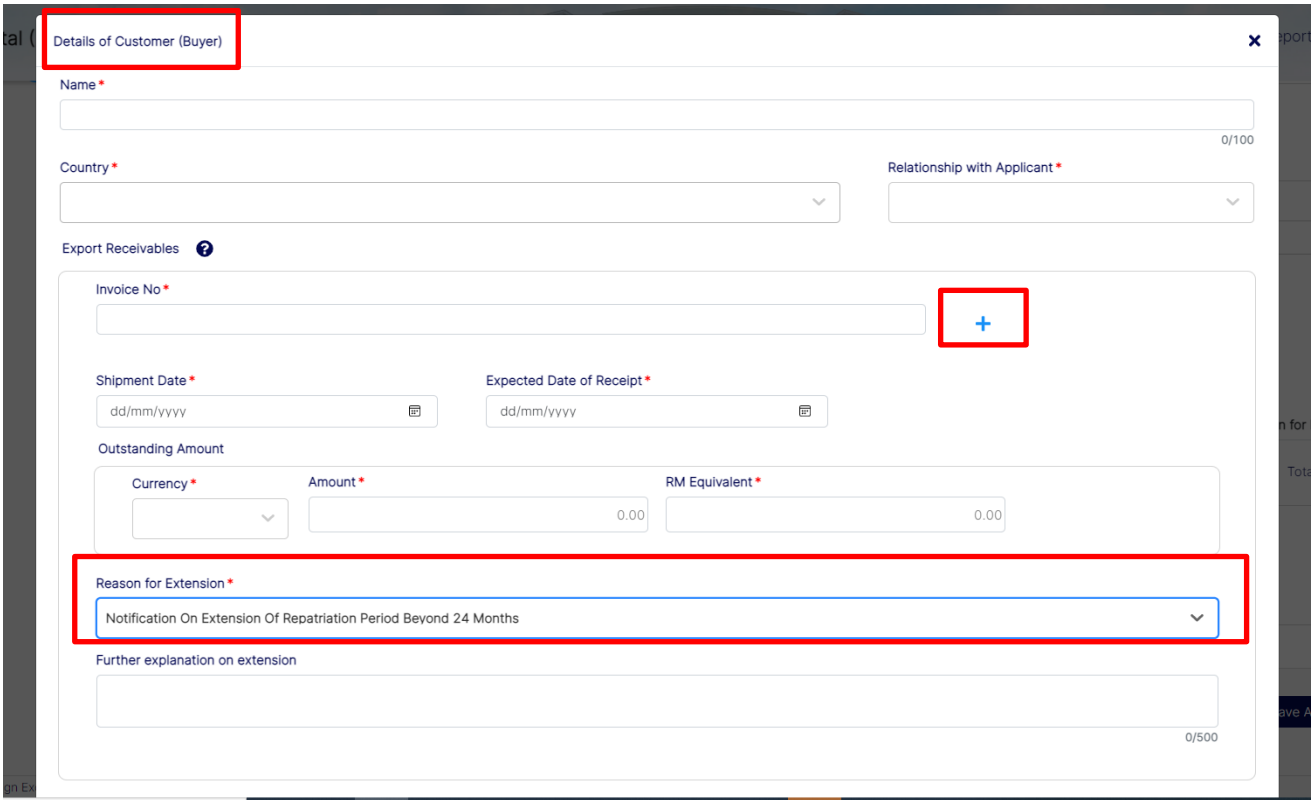
    Note: Please procced to refer to User Guide for third-party appointment available at Chapter 4 of Public Portal User Guide via this link



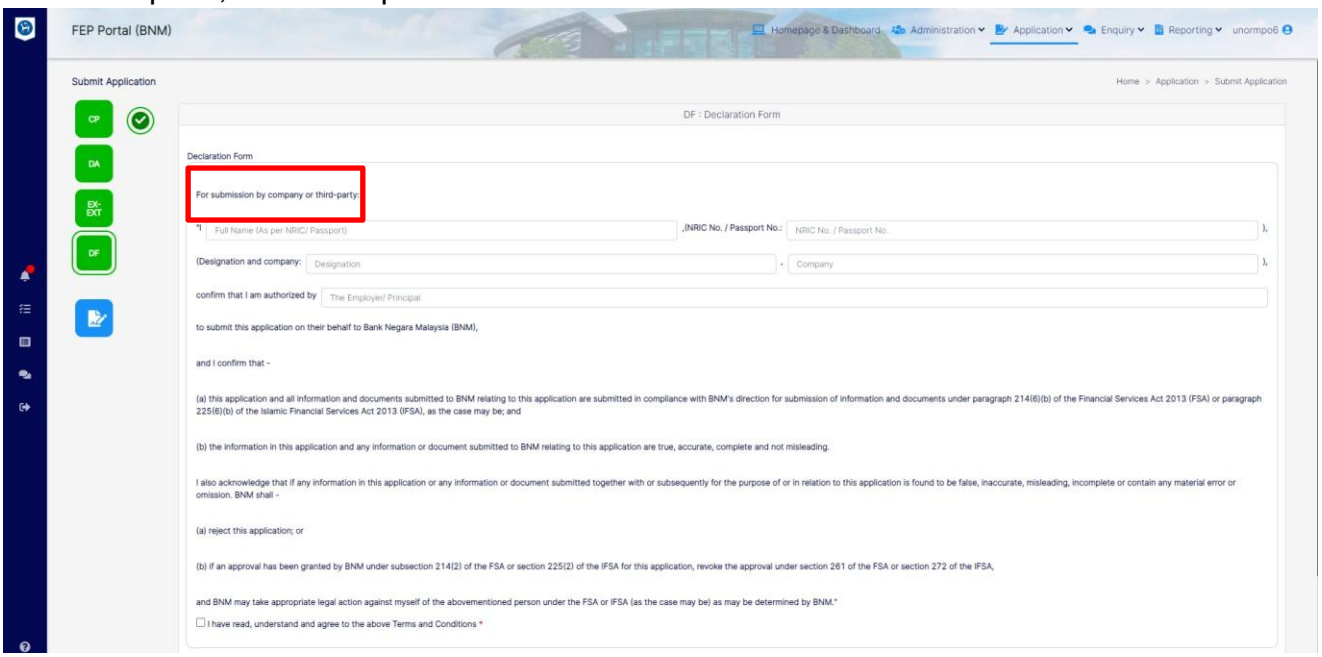
4. RE will proceed to declare whether the Notification involve non-compliance or not. Under the **Type of Application** menu, please select **Extension of Repatriation Period** and proceed to choose **New** for the **Type of Extension of Repatriation Period** column.



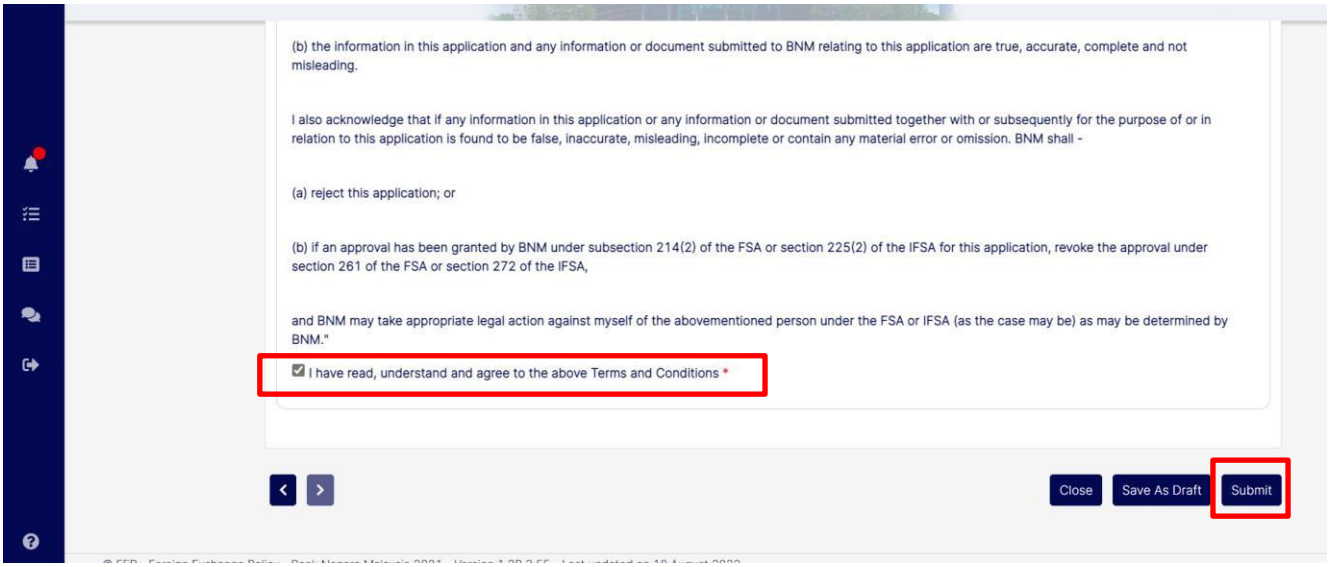
5. RE is required to fill up **Details of the Customer (Buyer)**. Please note that column/details marked * is compulsory. Under the **Reason for Extension** column, please select **"Extension of Repatriation Period Beyond 24 Months"** option at the dropdown list. Once completed, click save. For additional notification/invoice, please click the plus sign (+) to commence new notification/add in.



6. Once complete, RE to fill up the **Declaration form**



7. RE to **check box** and **click Submit** button at the last page.



8. Message below will be prompted upon successful submission.

