October 30, 2020

(U) Malaysian Economists Optimistic about China’s Five-Year Plan: While details of China’s Five-Year plan have not been announced, RHB Investment Bank economist Peck Boon Soon said that the plan’s growth focus could potentially benefit Malaysia’s electrical and electronics sector, one of Malaysia’s top exports to China. Mazlina Abdul Rahman, an economist for the Malaysian Industrial Development Finance (MIDF) Amanah Investment Bank, noted that technological prowess and supply chain security are highly anticipated in the Five-year plan, which will make China “reliant on imports which could possibly benefit Malaysia’s semiconductor industry.” Such comments come at a time where Malaysia recorded an annual export growth to China of 41.9 percent.

Aviation

October 7, 2020

(SBU) Civil Aviation Authority of Malaysia Makes Headway on FAA Audit: The Civil Aviation Authority of Malaysia (CAAM) briefed U.S. Federal Aviation Administration (FAA) officials on progress towards resolving safety and operational deficiencies identified under a regular audit in 2019. CAAM inspector staffing levels will be about 40 percent higher by November 1, and CAAM has instituted additional training, data, and maintenance regimes. CAAM CEO Captain Chester Voo said he will send the Malaysia-cleared draft Memorandum of Agreement for technical assistance with the FAA today.

Energy

October 27, 2020

(U) Malaysian Offshore Oil and Gas Support Ship Sinks Off Sarawak: Malaysian-flagged Dayang Topaz sank this morning after it collided with a Petronas-owned oil platform near the coast of northern Sarawak resulting in two fatalities and one injury. Media reported the Malaysia Maritime Enforcement Agency (MMFA), the Royal Malaysia Airforce, and other entities rescued 184 crew members. MMEA Director General Admiral Zubil shared his assessment that severe weather cut one of the ship’s anchors, causing a loss of control.

Environment/Health

October 8, 2020

(U) Concerns Over End of USAID PREDICT Program in Malaysia: In a call with Embassy ESTH officers October 7, the Director of EcoHealth Alliance, the implementing partner for USAID’s PREDICT program, voiced his concern about Malaysia’s future capacity to detect and test for pandemic disease in Malaysian Borneo, given Malaysia’s designation as a lower-priority country under USAID’s new Strategies to Prevent Spillover (STOP Spillover). He highlighted the lack of certified laboratories capable of testing human samples in Malaysian Borneo, which he said would be essential in the future to detect and prevent pandemic diseases of zoonotic origin similar to COVID-19. Note: Malaysian Borneo is the source of the recent surge in COVID-19 cases, which has set multiple new daily record of cases in the past week. End Note.
1. **Summary and Comment.** Following the outbreak of COVID-19, Malaysian government health officials, wildlife agencies, and NGOs are increasingly concerned about the potential of zoonotic diseases emerging within Malaysia. The country’s role as the origin of the 1998 Nipah virus, as well as ongoing local zoonotic disease outbreaks, has left a lasting impact on health officials’ approach to public health policies. Health experts are also concerned that land-use change, human-animal contact, and wildlife trafficking exacerbate risks of zoonotic diseases making the leap from animals to humans. While Malaysia does not host large scale wet markets serving exotic wildlife products, small scale wet markets proliferate in rural and indigenous communities, especially in Malaysian Borneo. Recognizing this threat, Malaysia’s federal and Sabah and Sarawak state governments have or are developing labs specialized for zoonotic disease and wildlife forensics. USG support through USAID’s PREDICT program was instrumental in the establishment of these labs, paving the way for Malaysia’s early COVID-19 responses (Tab 1). Post continues to highlight our public health and research assistance, especially during the COVID-19 crisis, which resonates positively with Malaysian audiences. **End Summary.**

As Forests Recede, So Does the Boundary Between Wildlife and Its Viruses

2. **EcoHealth Alliance, an NGO focused on infectious disease, shared their concern that**
land-use change, such as deforestation for new developments and plantation agriculture, are increasing human-animal contact and thus opportunities for zoonotic disease transmission. As Malaysians push further into the forests, wildlife like rodents and monkeys move into urbanized zones. While Peninsular Malaysia experiences more human-wildlife contact due to its population density, Malaysian Borneo is the site of ongoing deforestation. Sabah’s push to double its non-palm oil agricultural production and construction of the pan-Borneo highway will raise the level of human-wildlife contact further. Leptospirosis, which has led to hundreds of deaths over the past few years, is spread from animal urine in water bodies and has been exacerbated by increased flooding and urban development. The state of Sarawak has also reported 22 rabies cases and 21 deaths since 2019, with the origin of the outbreak believed to be feral dogs from West Kalimantan.

3. Animal husbandry also poses major zoonotic risk. The 1998 Nipah outbreak in Malaysia was contract by humans through consumption of local pigs, though researchers now believe the virus originated in native flying foxes. Health experts explain that Malaysia’s experience with Nipah and SARS deeply shaped the Ministry of Health’s (MOH) awareness of and preparations for future outbreaks. Wildlife officials in Sarawak shared that some rural communities are farming exotic wildlife for consumption, which faces little regulation. Swiftlet nest collection, driven by high demand from consumers in China, has become a lucrative industry for locals in Malaysian Borneo and poses a significant risk through potential contacts with bats at collection sites.

Wet Markets Not A Serious Concern in Peninsular Malaysia....

4. Both NGOs and wildlife officials believe wet markets are not a serious concern in Peninsular Malaysia, since live animals and exotic wildlife products are not openly present in Malaysia’s large urban areas. Wet markets that sell agricultural produce, seafood, and livestock products are regulated by local councils and state health departments. TRAFFIC, a counter wildlife trafficking NGO, has identified restaurants that sell wildlife goods illegally, but enforcement operations remain rare, as goods are marketed privately and sold online. Malaysia’s indigenous populations have hunting rights but are prohibited from selling bushmeat, although prohibitions are difficult to enforce. The Department of Wildlife and National Parks Peninsular Malaysia (PERHILITAN) Director General privately acknowledged that bushmeat trading in the villages along the central forest spine of Peninsular Malaysia occurs, but uncovering local networks is difficult.

....But Proliferate in Rural Borneo

5. Wet markets present a more significant concern in rural Malaysian Borneo, especially in the state of Sarawak. Officials from the Sabah Wildlife Department (SWD) and Sarawak Forestry Corporation (SFC) engage in weekly undercover raids of wet markets and frequently find protected species for sale as pets or for consumption. SFC officers shared that indigenous communities consume flying foxes, a high-risk species for zoonotic disease, believing that its meat resolves asthmatic symptoms. One health expert noted that indigenous people may have developed immunities to zoonotic diseases that could affect those outside the communities. Online sales are expanding the local trade outside of physical wet markets, exacerbated by
shortcomings in current legislation which provides limited online enforcement authorities for wildlife officials (REF A). The outreach director of the SFC commented that public outreach to indigenous communities, which make up a substantial portion of the population, would be effective in dissuading them from consuming exotic wildlife, but it was challenging given the diversity of their language and remoteness of some settlements. The government is also reluctant to impose severe penalties on indigenous people due to their relatively low income and their traditional interactions with wildlife. The SFC official noted that COVID-19 is leading to greater local concerns for wet markets among locals and several mayors had shut down local markets due to fears of local zoonotic risks.

Wildlife Trafficking Risks Spreading Viruses Beyond Malaysia’s Borders

6. (SBU) The PERHILITAN Director General noted with displeasure that some Chinese scientists and media had identified Malaysian (Sunda) pangolins as a potential origin of COVID-19. PERHILITAN’s wildlife forensics lab, which has received previous support from USG programs and is considered among the best in the region (REF B), performed subsequent studies on seized Malaysian pangolin parts and found no signs of COVID-19 strains within their genetic material. Health experts and wildlife officials, however, raise concerns that smuggled Malaysian pangolins do risk spreading zoonotic diseases beyond Malaysia’s borders.

EcoHealth Alliance shared that TRACE, a wildlife forensics NGO, is working with the PERHILITAN lab to identify markers for Malaysian (Sunda) pangolins to determine if they originate in Peninsular Malaysia, Sabah, or Sarawak, to aid wildlife crime investigations as well as zoonotic disease tracing. In addition to pangolins, other trafficked wildlife that have tested positive for potential viruses include civets, certain rodent species, primates, and to a lesser extent some reptile species; the latter two are linked to the exotic pet trade. Tests on other species, such as clouded leopards, are also ongoing within Malaysia to determine additional potential vectors. Exotic eating houses catering to tourists in Sabah often serve pangolins and other high-risk species, and some NGOs expect demand for exotic eating to increase as China and Vietnam crack down on exotic wildlife products, and Sabah reopens to foreign tourists (REFs C and D). Wildlife contacts note that law enforcement’s growing wildlife forensics units and labs, which is utilized in wildlife trafficking investigations, is also bolstering zoonotic disease detection capabilities.

Federal and State Government Labs Bolstering Detection Capabilities

7. (SBU) The Department of Wildlife and National Parks Peninsular Malaysia (PERHILITAN), which is directly under the purview of the federal government, cooperates closely with the Malaysian Ministry of Health (MOH) and the Veterinary Department, as well as several universities and EcoHealth Alliance, in its zoonotic detection research. All of Malaysia’s labs are certified in accordance with the Biosafety in Microbiology and Biomedical Laboratories, the United States standard used by the CDC and NIH. NGO contacts note that PERHILITAN’s wildlife lab ranks as one of the best in the SouthEast Asia (REF B). One contact working with the lab shared that although the Ministry hopes to raise the lab to a Level 3 Biosafety Lab (BSL-3), the current priority should be funding for repairs to maintain its Level 2 Biosafety Lab (BSL-2) certification and assure it can maintain its real-time wildlife forensics and zoonotic detection
capabilities. He noted privately that although the government invests significant funding for new equipment, the government does not provide sufficient funding for maintenance leading to frequent breakdowns of critical equipment. MOH’s Sungai Buloh medical center already hosts a BSL-3 lab which conducts diagnostics for zoonotics diseases in human subjects and coordinates closely with PERHILITAN’s lab in detected viral transmissions between wildlife and humans.

8. (SBU) EcoHealth Alliance expressed concern that Sabah and Sarawak have to file formal requests, which face lower priority then Peninsular samples and additional bureaucratic hurdles, to have wildlife products tested in the PERHILITAN lab, leading to delays in results and biosafety risks while samples are in transit. As part of a partnership with EcoHealth Alliance and with the support of PREDICT, the SWD has founded the Sabah Wildlife Health, Genetic and Forensic Laboratory (WHGFL) which has received a BSL-2 certification seven years running, although it lacks some of the capabilities of its Peninsular counterpart. While this lab faced risks to its physical structural integrity due to soil erosion at its location, the U.S. Defense Threat Reduction Agency (DTRA) is stabilizing its structural foundation. The University of Malaysia Sabah (UMS) is also launching a Borneo Medical Health and Research Center, which will include its own BSL-2 lab to complement the WHGFL, which, when complete, will increase the state’s testing and diagnostic capacity, allowing for research, and providing training facilities to nurture local talent. Through a Sabah-based Bureau of International Narcotics and Law Enforcement (INL) program, the lab is bolstering its wildlife forensics capabilities, receiving training for its forensic unit, and developing connections with international experts. The lab also tests wildlife products from northern Sarawak, the federal territory of Labuan, and Brunei, due to its relative proximity. UMS also hosts a BSL 3 lab which has a similar relationship with the Sabah wildlife labs as the Sungai Buloh facility in Peninsular Malaysia.

9. (SBU) The University of Malaysia Sarawak, in cooperation with the SFC, are in the process of developing a lab for Sarawak, though it is at least two years from completion. Sarawak is seeking international partners in the development of the lab and has begun studies on local bat populations near the state capital of Kuching.

USG PREDICT Program Bolsters Zoonotic Detection and Prepared Officials for COVID-19

10. (SBU) USAID’s PREDICT program facilitated over 80,000 tests in Sabah and Peninsular Malaysia, identifying 76 new viruses and 29 known viruses, including 11 of zoonotic origin. Sixty-six of the new viruses were identified in Sabah and 11 in Peninsular Malaysia; testing has not yet taken place in Sarawak. Eight new coronaviruses were detected in Malaysian bats and rats, with three genetically related to SARS CoV, and three viruses were detected within 15 human subjects. 627 health care experts from government, universities, and NGOs have participated in PREDICT trainings, boosting skills such as detection, surveillance, and SOP development.

11. (SBU) Alumni of PREDICT programs have played a critical role in Malaysia’s COVID-19 outbreak response. A health contact privately shared that the first three cases of COVID-19 in Malaysia were diagnosed by health officials using the PREDICT Quan protocol. Once the World Health Organization (WHO) released the COVID-19 Berlin qPCR protocol for testings, the PREDICT implementors arranged for the protocol’s distribution for the federal National Public Health Lab, University of Malaysia Sarawak, and the Kota Kinabalu Public Health Lab
for testing. Additionally, due to long turnaround times for tests processed in Peninsular Malaysia during the early stages of the outbreak, local labs in Sabah informally utilized its own testing protocols developed under PREDICT for initial screenings (REF D).

Public Messaging

12. (U) Since April, the Public Affairs section has continued to promote U.S.-Malaysia cooperation on combating zoonotic diseases. In the early days of the pandemic, the Chinese Embassy expended significant effort to showcase healthcare diplomacy outreach; however, post-sponsored focus group discussions with Malaysians of all backgrounds reflected that Malaysians still hold the Chinese responsible for the pandemic and distrust Chinese messaging. Post deployed targeted social media content to showcase how the United States has been a long-time healthcare partner, including infographics describing over $2 million in U.S.-funded COVID-19 relief efforts and USAID implementer EcoHealth Alliance’s work with the USAID PREDICT program. The Ambassador highlighted the USG’s support for PREDICT as part of her widely-read (in three languages) July 4 op-ed that underscored the longstanding strength of our bilateral cooperation in this incredibly important area. Additionally, in April, the Public Diplomacy section hosted a Virtual Talk with Dr. Peter Daszak, the president of EcoHealth Alliance highlighting longstanding U.S. health and humanitarian assistance in Malaysia.

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