

MARGMA: ESTIMATED RM3.6B TOP GLOVE LOSS FROM US IMPORT BAN ACTUALLY CUMULATIVE POTENTIAL LOSS OF EXPORT REVENUE FROM A FEW GLOVE MAKERS

02 March 2022 / 12:03



KUALA LUMPUR (March 2): The Malaysian Rubber Glove Manufacturers Association (MARGMA) has clarified that the RM3.6 billion loss estimated to have been incurred by Top Glove Corp Bhd due to the import ban under the US Customs and Border Protection's (US CBP) Withhold Release Order (WRO), is actually a cumulative sum from a few affected companies.

And it is an estimated loss in potential glove export revenue due to the WRO issue, and not an actual financial loss of any single company, the association said in a statement Wednesday (March 2).

The figure was arrived at based on various assumptions, it said, but did not elaborate.

MARGMA said it stands corrected on the issue.

MARGMA was referring to news reports citing the Ministry of International Trade and Industry (MITI) on Tuesday (March 1) revealing that Top Glove had incurred an estimated loss of RM3.6 billion because of the WRO.

MITI had said that the figure was obtained from MARGMA.

According to previous news reports, the US CBP banned the import of gloves from several Malaysian-based companies over allegations of forced labour since the end of 2019, including, among others, WRP Asia Pacific Sdn Bhd (from Oct 1, 2019 till March 23, 2020), Top Glove (from July 2020 till September 2021), Supermax Glove Manufacturing and Maxter Glove Manufacturing Sdn Bhd (from Oct 21, 2021).

It also banned imports from Brightway Group (from Dec 20, 2021), as well as Smart Group Bhd (from Nov 4, 2021) and YTY Industry Holdings Sdn Bhd (from Jan 29, 2022) over similar allegations.

The Edge Markets