

Investment Opportunities in Malaysia

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KCCCI Open Day 2.0

Get to Know Us Better

MIDA-Truly International



Global Network



State Offices





Our Roles

Promoting FDI & DDI



1

Providing Investment Approvals

2

Manufacturing Licence (ML)



- **Require ML if the Paid-up Capital/Shareholders' Fund is RM2.5 Million and above; or employing 75 or more full time employees**
- **Exempted from ML- If below the above threshold**

Investment Incentives



- **Tax Incentives**
- **Matching Grants**

Customs Duty Exemptions



- **Raw materials; and**
- **Machinery & equipment**

Expatriate Posts



- **Key posts**
Posts that are permanently filled by foreigners
- **Term posts**
Posts that are filled by foreigners for a period of 1-5 years

Monitoring Project Implementation



ON-TRACK

Pejabat Pelaksanaan Projek dan Fasilitasi
(Project Implementation and Facilitation Office)



Investor's Journey

MIDA Organisation Structure

Promotion



Foreign
Direct
Investment

Domestic
Direct
Investment
& Cross-
Border
Investment

Evaluation and Approval of Project

(Manufacturing Licence/Tax Incentives/
Status Approval)



(Expatriate Posts)



Implementation

Evaluation and
Approval of
Customs Duty
Exemption



Compliance



Facilitation



- Electrical & Electronics
- Machinery & Metal
- Building Technology & Lifestyle
- Transportation Technology
- Chemical & Advanced Materials
- Food Technology & Resource Based Industries
- Life Sciences & Medical Technology

Manufacturing

- Oil & Gas, Maritime & Logistics Services
- Green Technology
- Healthcare, Education & Hospitality
- Business Services & Regional Operations
- Advanced Technology and R&D

Services

Industry
Talent
Management
& Expatriates

MIDA State
Offices

Tariff

Licensing &
Incentive
Compliance

Post-
Investment



Business Facilitation

Domestic Investment Programmes

MIDA's Investment Promotion Activities

1 Domestic Investment Seminars



2 Invest Series



3 Start-Up Programme



4 SME Investment Desk



5 Domestic Investment Coordination Platform (DICP)



6 Supply Chain Conference, Vendor Facilitation Programme and Local Sourcing Facilitation



7 Specific Industry Seminars



8 Cross Border Investment (CBI)

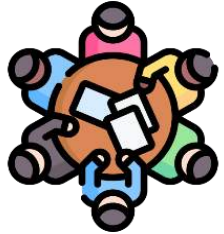


9 Domestic Specific Project Mission (DSPM)



Addressing Funding Needs

Domestic Investment Coordination Platform (DICP)



DICP was founded to support Small & Medium Enterprises (SMEs) looking for funding through banks, alternative financing solutions and going for initial public offerings, for companies in manufacturing and services sector.

BANKS



For high intensive capital needs, we assist companies to get connected with our partner banks.

ALTERNATIVE FINANCING



We assist companies that need short term financing through Equity Crowdfunding and Peer to Peer (P2P) partners. This is to assist the companies on short term liquidity needs.

IPO



We identify and handhold companies that have the potential to go for IPO. We work with our partners on determining market valuation.

Encouraging MNCs to Source Locally



Supply Chain Conference

Assisted company to explore new potential local suppliers through conference.



Local Sourcing Programme

Assisted company to identify potential local suppliers through introductory meeting and engagement.



Vendor Facilitation Programme

Assisted anchor company to develop their vendors through various facilitations.

Industry Talent Management

1

Internship Facilitation



Organising internship interview for higher education students

2

Career Fair



Organising career fair to provide employment opportunities for Malaysian

3

Upskilling and Reskilling



MIDA collaborate with training centre to reduce skill gaps among Malaysian namely graduates and unemployed

4

Academia and Industry Engagement



Engagements visits, roundtable meetings, and networking events) led by MIDA to address the issues on talent

5

One-on-One Talent facilitation



Organising one-to-one meeting with the company which required assistance in getting local manpower

6

Career Talk



Organising Career Talk programme to provide jobs exposure and industry knowledge

Investment Strategy

Our Game Plan

In a Nutshell



FDI

Positioning Malaysia
as a Hub for R&D,
High Technology
Industries and
Global Services



DDI

Transforming
Domestic
Investment
Landscape

Regional Development

Achieving Balanced Regional Economic
Development

Key Strategic Direction

1

**New Sources of
Investment
Opportunities**

- Leveraging on the Megatrends Development, Industry 4.0, E-Commerce, Digital Economy, Green Technology, SDG & ESG.

2

**Targeting Niche
Technologies**

- Targeting niche products, technologies and services.
- Identifying the gaps and complete the value chain of the ecosystem.

3

**Driving Existing
Companies to
Reinvest**

- Identifying opportunities for reinvestment into high value added products and activities.
- Transforming Malaysian companies to become global players.

New Growth Areas

Manufacturing Sector

ELECTRICAL & ELECTRONICS

- IOT Sensors & Components
- Automotive Electronics Components
- Modernising Outsourced Assembly and Test (OSAT)

CHEMICAL AND ADVANCED MATERIAL

- Lithium-ion battery
- Hydrogenated vegetable oil (HVO)
- Green hydrogen
- Chemical and catalyst for semiconductor industry

MACHINERY AND METAL TECHNOLOGY

Semiconductor (Front End Semiconductor M&E)
Slicing and Polishing of Wafer, Photolithography, Etching, Rapid Thermal Processing, Deposition, Wafer Burn-In, Fluid and Gas Delivery

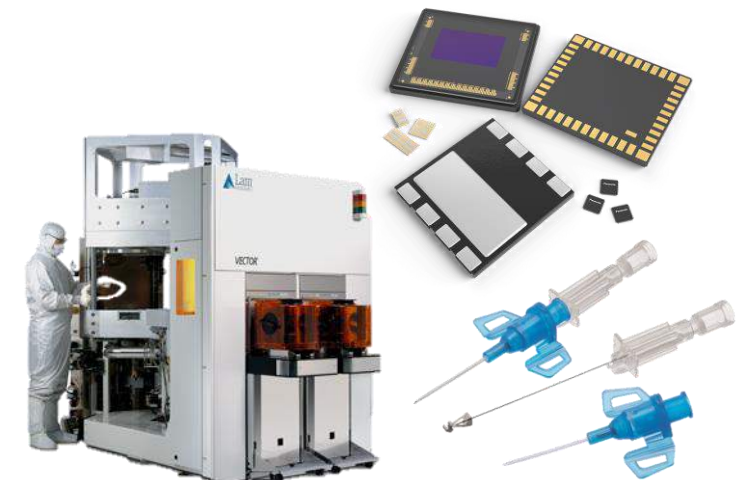
Electric Vehicle (EV): Battery Cell machinery and parts, Battery Pack machinery and parts, Materials related to the production of EV Battery, Machinery to produce other related components for EV.

Robotics: Robot Arms, Collaborative Robot (COBOT), Tools related to the production of Robotics i.e. motor, sensor, connectivity devices

Agriculture: Machinery for Poultry and Farming (encompassing crops, livestock, fisheries, fruits and vegetables).

LIFE SCIENCES AND MEDICAL TECHNOLOGY

- Vaccines
- Consumer Medications and Drugs
- Diagnostic and Point of Care
- Non-Invasive / Minimally-Invasive Solutions
- Convergence Medical Technologies



Cont'd

TRANSPORTATION TECHNOLOGY

Automotive

- Vehicle: Electrification and NxGV
- Critical Components of EV and NxGv
- Mobility Services and Supporting Technology
- Large forging and casting

Aerospace

- Components and parts
(eg: engine, cabin interiors)
- Base for light aircraft and corporate planes
(eg: business aviation, seaplane aircraft, Unmanned Aerial Vehicle (UAV))

BUILDING TECHNOLOGY

Industrial Building System (IBS)

Development Of High Technology Glass: Smart Glasses

LIFESTYLE

Textiles: Functional Fabric, Medical Textiles, Natural Fibres and Yarns and Eco-Friendly Textiles

CIRCULAR BIO-ECONOMY

- Biofuel & Bioplastic
- Sustainable Aviation Fuels (SAF)
- Green Hydrogen
- Micro Algae to Biofuels



FOOD TECHNOLOGY

Food Technology

- Alternative/ Artificial Meat Industry
- Ready to Eat (RTE) / Convenience Foods Industry

RESOURCE-BASED INDUSTRIES

Oil Palm Biomass

- Pulp & paper
- Animal feed
- Fertilizer
- Oil Palm Trunk: timber / wood / engineered wood

Services Sector

BUSINESS SERVICES & REGIONAL OPERATIONS

- Center of Excellences (COE) for Digital Solutions
- Digital Tech Smart Innovation Hubs
- Hyperscale Data Centres
- Digital Technology Providers

HEALTHCARE

- Digital healthcare/ Telemedicine
- Traditional and Complementary Medicine (TCM)
- Senior Living/Aged Care

HOSPITALITY

- Sport Tourism
- Glamour Camping (Glamping)
- Recreational Vehicle (RV)

OIL AND GAS

Oil & Gas (Upstream)

Exploration : Geological services, Seismic survey, Remote monitoring

Development: Well services: well intervention, pipeline services such as MRO, Remote monitoring

MARITIME

Shipbuilding and Ship Repair :

LNG fueled vessels, Dual-fuel engine, Hydrogen operated vessels, Ballast free ship design, Electric propulsion system, Digital twin

LOGISTICS

Logistic Services :

Integrated logistic, Smart warehouse including e-fulfillment, Blockchain



ADVANCED TECHNOLOGY AND RESEARCH & DEVELOPMENT

- Bioscience Technology
- Advanced Intelligent Systems
- Advanced Materials
- Blockchain
- Additive Manufacturing

GREEN TECHNOLOGY

New RE Sources

- Geothermal
- Onshore and offshore wind

Energy Storage Solutions

- Battery storage
- Hydrogen solution

Investment Incentives & Policy Intervention

1

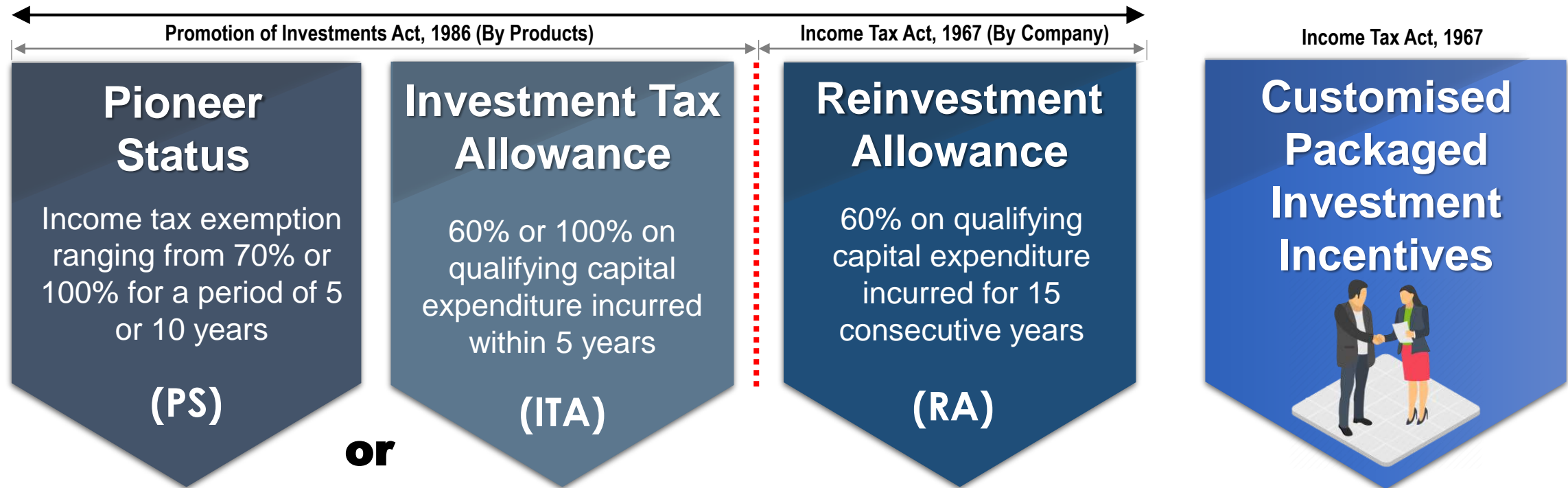
Major Incentives

**Additional
Reinvestment
Allowance**
(YA 2020-2024)

penjana
Pelan Jana Semula Ekonomi Negara

+ 5 Years

20-25 Years



3 Allowing Companies in Production to be Eligible for Incentives

Desirous Issue

Malaysian-owned manufacturing or services companies already in operation for a year or less and undertaking promoted products/activities under the Promotion of Investments Act, 1986 are now eligible to apply for tax incentives. This flexibility is aimed at facilitating new investments by Malaysian-owned companies.

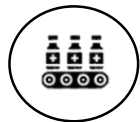
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Industry4WRD Intervention Fund (IIF)

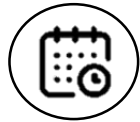
ELIGIBILITY CRITERIA



Incorporated under the **Companies Act, 1965/2016**



Undertake **Manufacturing** or **manufacturing-related-services (MRS)**



In operation for at least **3 years** in the current business line



Possess a **valid Business Licence** and/or **Manufacturing Licence (ML)**



Completed the **Industry4WRD Readiness Assessment (RA)** Programme

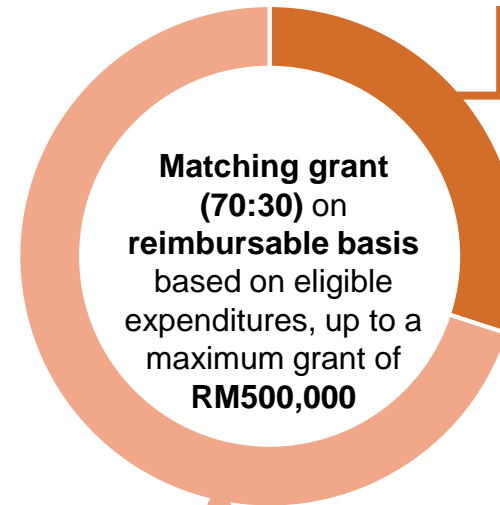


Malaysian SMEs only



Submit IIF application not more than two (2) months after receiving the Industry4WRD RA report

Total expenditure



70% subsidised by Government



Max. 30% will be provided upfront

* 12th Malaysia Plan (12th MP): Accelerating Development in the 6 Less Developed States : upfront payment will be granted **40%** of the 70% matching grant (Kedah, Kelantan, Perlis, Terengganu, Sabah and Sarawak)

30% borne by Company



As at 31 Jan 2023, 230 companies were approved with matching amount of RM104.4 million

- Launched under Budget 2019 and continue under 12th MP
- The fund was introduced under the **National Policy on Industry 4.0** (known as Industry4WRD)
- Financial support facility for **Malaysian SMEs** in the manufacturing and related services sectors to embrace Industry 4.0
- Project duration of 18 months – Project implementation (12 months) and Claim period (6 months)

3

Automation Capital Allowance

- Launched under Budget 2015*
- Encourage quick adoption of automation, especially in labour - intensive industries
- Evaluation undertaken by MIDA in collaboration with SIRIM (technical verification)

1

WHO CAN APPLY?

Manufacturing / Services companies incorporated under the Companies Act, 1965/2016

2

PERIOD OF OPERATION

Companies must have been in operation for at least 36 months

3

PRODUCTIVITY

Automation machine/ equipment should enhance the productivity of the company and to be verified by SIRIM

4

ELIGIBILITY MACHINE

Machine/ equipment must be used directly in the manufacturing / services activity

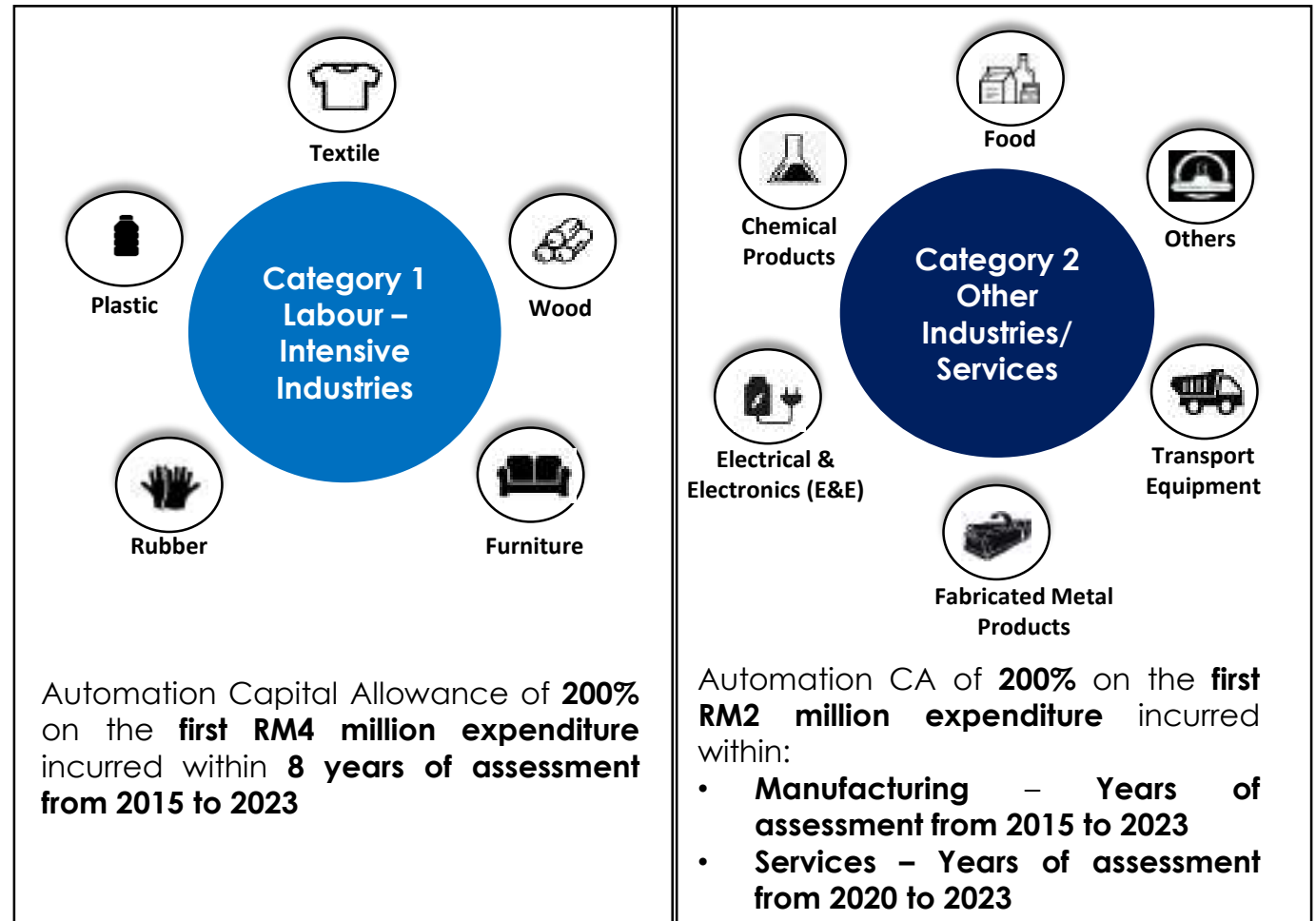
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TECHNOLOGY

Machine/ equipment must adopt technology that is more advanced than the technology currently used and to be verified by SIRIM

**Note: Extension was announced Budget 2018, Budget 2020 and Budget 2023.*

Automation CA and others incentives such as Reinvestment Allowance (RA), Pioneer Status (PS) and Investment Tax Allowance (ITA) are mutually exclusive



Information Portals

Information At Your Fingertips



i-Incentives

Provides information on investment incentives offered by the Federal Government of Malaysia

incentives.mida.gov.my



i-Services

To connect local service providers and their potential clients, which consist of both domestic and foreign companies

iservices.mida.gov.my



E-Stats

Provides information on approved projects in the manufacturing and selected services sectors in Malaysia

E-statsdata.mida.gov.my

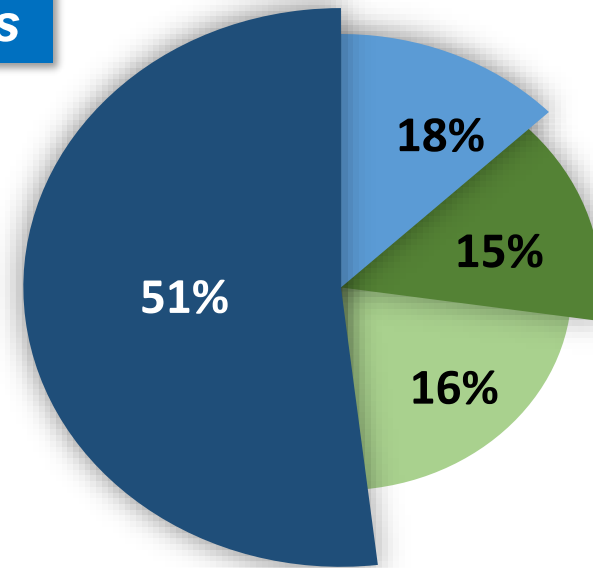
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i-Incentives Portal

<http://investmalaysia.mida.gov.my/incentives>

2

Type of Incentives



- Tax Incentives
- Soft Loan
- Grant
- Others*

* Equity funding, training, aids, regional establishments & other facilitation programs.

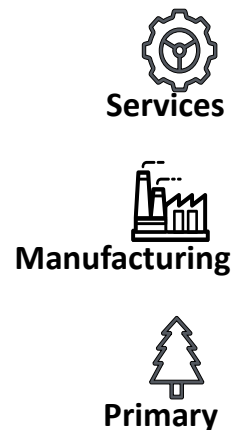
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Key Figures



3

By Sectors



Tax Incentive : 47
Soft Loan : 21

Grant : 18
Others*: 18

51%

Tax Incentive : 32
Soft Loan : 14

Grant : 11
Others*: 11

34%

Tax Incentive : 6
Soft Loan : 6

Grant : 9
Others*: 9

15%



 <p>Accounting, Auditing & Taxation</p>	<p>Advertising & Market Research</p> 	 <p>Architectural Consultancy</p>	<p>Construction & Its Related Services</p> 	 <p>Education & Industrial Training</p>	<p>Engineering Consultancy</p> 
 <p>Environmental Management & Consultancy</p>	<p>Financial & Insurance / Takaful</p> 	 <p>Green Energy Related Services</p>	<p>ICT (Inc. Solution Providers For Industry 4.0)</p> 	 <p>Integrated Engineering Services (Turnkey/EPCC)</p>	<p>Legal</p> 
 <p>Logistics</p>	<p>Management & Business Consultancy</p> 	 <p>Oil & Gas</p>	<p>Real Estate & Surveying Consultancy</p> 	 <p>Research & Development</p>	<p>Specialised Technical Support (Inc. Robotics & Automation)</p> 



The screenshot shows the MIDA E-Stats Data portal. At the top left is the MIDA logo with the tagline 'MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY' and 'INVEST IN MALAYSIA > YOUR PROFIT CENTRE IN ASIA'. To the right is the Malaysian coat of arms. Below the logo, it says 'WELCOME TO' followed by a large red banner with 'E-STATS DATA' in white. Under the banner, a paragraph explains that the portal provides information on approved projects by MIDA in manufacturing and selected services sectors. Another paragraph states that the portal provides the latest information on new projects for business development and supply chain enhancement. A third paragraph notes that information is updated quarterly. On the right side, there is a 'Create an Order' section with four buttons: 'NEW ORDER', 'Resume Order', 'ENTER YOUR ORDER ID', and 'Download My Publication'. At the bottom left, there are four buttons: 'FAQ', 'PRODUCT', 'CONTACT US', and 'DISCLAIMER'. At the bottom center, there is a small copyright notice for MIDA 2022 and a note about the browser used for the screenshot.

MIDA MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY
INVEST IN MALAYSIA > YOUR PROFIT CENTRE IN ASIA

WELCOME TO

E-STATS DATA

E-Stats Data is a portal that provides information on approved projects by MIDA in the manufacturing and selected services sectors in Malaysia.

The portal will provide investors, business communities as well as service providers with the latest information on new projects coming up in the country, for the purpose of business development opportunities and enhancement of supply chain and new market penetration.

The information will be updated on a quarterly basis.

Create an Order

- NEW ORDER ▶
- Resume Order
- ENTER YOUR ORDER ID ▶
- Download My Publication
- DOWNLOAD ▶

FAQ PRODUCT CONTACT US DISCLAIMER

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This screenshot taken using Google Chrome on Mozilla Firefox

- **Sector**
 - Manufacturing
 - Services
- **Period**
 - 2020
 - 2021
 - 2022

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MIDA HQ DIGITAL SIGNAGE

INVEST MALAYSIA E-NEWSLETTER

To reserve advertising space, or if you have any questions, please contact:

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Thank You



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Investment Incentive for Small Scale Sectors

LIST OF PROMOTED ACTIVITIES
& PRODUCTS FOR
SMALL SCALE COMPANIES
WHICH ARE ELIGIBLE FOR
CONSIDERATION OF
PIONEER STATUS AND
INVESTMENT TAX ALLOWANCE
UNDER THE PROMOTION OF
INVESTMENT ACT 1986



- Agricultural production
- Processing of agricultural produce
- Forestry products
- Manufacture of rubber products
- Manufacture of palm oil products and their derivatives
- Manufacture of chemicals and pharmaceuticals
- Manufacture of wood and wood products
- Manufacture of paper and paperboard products
- Manufacture of textiles and textile products
- Manufacture of clay based and sand-based products and other non-metallic mineral products
- Manufacture of iron and steel products, non-ferrous metals and their products
- Supporting products and services
- Manufacture of transport components parts and accessories
- Manufacture of parts and components for machinery and equipment
- Manufacture of electrical and electronic products, components and parts thereof
- Manufacture of furniture, parts and components
- Manufacture of games and Accessories
- Manufacture of souvenirs
- Manufacture of plastic products