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Issue**

MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY
E-NEWSLETTER
A MONTHLY INDUSTRY UPDATE FOR GLOBAL INVESTORS AND MORE!



IN THIS ISSUE



Snapshots of Budget 2020



Biotechnology Industry in Malaysia



Palm Oil Industrial Cluster (POIC): Unlocking Sabah's Potential



Enhancing the Digital Economy Ecosystem

Snapshots of Budget 2020

Budget 2020 themed, "Driving Growth and Equitable Outcomes Towards Shared Prosperity", was announced by the Minister of Finance on 11 October 2019. The Budget is anchored on four thrusts:



Driving Economic Growth in
the New Economy and
Digital Era



Investing in Malaysians:
Levelling Up Human Capital



Creating a United, Inclusive
and Equitable Society



Revitalisation of Public
Institutions and Finances



The Budget is comprehensive with a focus on initiatives to embrace inclusivity, steer the country towards digital transformation and enhance Malaysia's competitiveness as the preferred destination for foreign investments. It is also aimed to support the well-being of the B40 group and maintain the country's fiscal discipline.

As MITI and its agencies are currently drafting a new Industrial Master Plan that will chart the growth of the manufacturing and services industries post 2020, MIDA

heeds the call in the Budget that Malaysia needs an industrial policy to boost the country's growth sustainably. The implementation of the various initiatives to promote economic growth under Budget 2020 will be among the initial steps in achieving this aspiration, laying down the foundation towards improving national competitiveness, raising productivity, prioritising investment in strategic sectors, re-energising export-led industrialisation and encouraging entrepreneurship.



HIGHLIGHTS ★★

Making Malaysia the Preferred Destination for Investment

1

Strengthening the National Committee of Investment (NCI)

The enhanced NCI, co-chaired by MOF and MITI, will strengthen the governance of the committee, enabling a faster decision-making process on the investment projects by expediting approvals of targeted projects.

2

Comprehensive review and revamp of the Promotion Investment Act (PIA) 1986, special incentives package and incentives under the Income Tax Act (ITA) 1967

Expected to be ready by 2021, this initiative will address tax leakages, reduce the existing tax gap, explore new sources of revenue, study the taxation of the digital economy and review the effectiveness of various tax incentives as provided by the law.

3

Customised Packaged Investment Incentives of up to RM1 billion annually over 5 years for foreign investment in Malaysia to attract targeted Fortune 500 and global unicorns in high technology, manufacturing, creative and new economy sectors

This strategic tool will attract new quality investments from foreign investors and encourage existing foreign MNCs in Malaysia to move up the value chain. This incentive is expected to generate additional economic activities to support Small Medium Enterprises (SMEs), creating 150,000 high quality jobs over the next five years while strengthening the local manufacturing and service ecosystems.

4

Customised Packaged Investment Incentives of up to RM1 billion annually over 5 years to upgrade Malaysia's best and most promising businesses

Local SMEs and MNCs will be able to upgrade their technological capabilities to be more competitive internationally by moving up the value chain and participating in the global ecosystem and supply chain. This incentive will significantly strengthen the local supply chain ecosystem and create additional 100,000 high quality jobs for Malaysians over the next five years.

5

An allocation of RM10 million to enhance post-approval investment monitoring and realisation, ensuring that close attention is paid to resolving implementation issues on a timely basis

In line with the Government's aspiration to cut the red tape in obtaining investment approvals in Malaysia, this initiative aims to ease the time taken for businesses and investors to implement their projects in the country. Unnecessary regulatory costs and delays in getting business approvals will also be addressed under this initiative.

6

Special Investment Tax Allowance of 50% for the electrical and electronics (E&E) industry

Given that the E&E sector is a major export revenue earner and investments contributor to Malaysia, this incentive will encourage companies in the sector that have exhausted the Reinvestment Allowance for 15 consecutive years for reinvestment projects, to further reinvest in Malaysia and to remain competitive in the international markets.

7

Extension of Automation Capital Allowances (Automation CA) to 2023

The extension will encourage more companies to automate their processes and reduce dependencies on unskilled foreign workers. Companies should be able to boost their production and profit margins by substituting costly workers for advanced equipment and software. The Automation CA is also expanded to include the services sector.



Supporting the Growth of SMEs

The Government has also announced initiatives to further support the growth of the SMEs in Malaysia. Among the initiatives outlined are:

1

Increase the chargeable income which is subject to 17% concessionary income tax rate from RM500,000 to RM600,000

Given SMEs' key role in the Malaysian economy, this initiative will encourage more SMEs to expand their business and invest more to improve technology capabilities and move up the value chain. This will enable SMEs to stay competitive in the market especially in the Southeast Asia region.

2

Enhancement to the *Skim Jaminan Pinjaman Perniagaan (SJPP)*

The Government's guarantee for Bumiputra SMEs, export-oriented SMEs and SMEs investing in automation and digitalisation, will be increased from 70% to 80% and the guarantee fee is reduced to 0.75%. This is part of ongoing efforts to promote continued access to financing for SMEs to remain competitive.



Green Growth

In line with the Government's aspiration in supporting the climate change action plan in National Determined Contribution (NDC), Malaysia is committed to reducing 45% of Green House Gas (GHG) emission intensity by 2030. The Budget 2020 initiative looks to escalate the efforts to achieve the new target of renewable energy percentage of 20% by 2025, with an additional capacity of 3,991MW. Simultaneously, the increased use of Green Technology can have an impact on the reduction of energy consumption from fossil fuels and carbon footprint, and make Malaysia the leading producer of Green Technology in the global market. The initiatives to drive this reduction include:

1

Extension of Green Investment Tax Allowance (GITA) whereby Investment Tax Allowance of 100% on capital expenditure is eligible to be set-off against up to 70% of statutory income, extended for a period of 3 years until 2023 for qualifying green projects.

2

Extension of Green Income Tax Exemption (GITE) whereby:

- **Income tax exemption of 70% of statutory income** for qualifying green series activities be extended for a period of **3 years of assessment until 2023**.
- New tax incentive for **solar leasing activities** be introduced with an **income tax exemption of 70% of statutory income** for a period of up to **10 years of assessment** for solar leasing companies certified by Sustainable Energy Development Authority (SEDA).





Research and Development (R&D)

1

Income Tax Exemption of 100% up to 10 years on qualifying intellectual property income derived from patent and copyright software of qualifying activities

In line with the target set under the National Policy on Science, Technology and Innovation, for Malaysia to achieve R&D Gross Expenditure (GERD) of at least 2.0 percent of Gross Domestic Product (GDP) by 2020, this will encourage local and foreign companies to increase their investment in innovation and spur patent registration for their products/inventions in Malaysia, drive the commercialisation of IP from local R&D activities and foster more post-R&D activities.

2

Allocation of RM30 million for R&D matching grants for collaborations with industry and academia to develop higher value added downstream uses of palm oil, especially tocotrienols in pharmaceuticals and bio-jet fuel.

This initiative will stimulate industries internal R&D programs while university researchers identify research that are useful for the design and development of new processes and products. MIDA will work hand-in-hand with the Industry-Academia to facilitate the development of innovative products and technologies that can spawn new industries which will enhance Malaysia's competitive advantage globally.





Promotion of the Tourism Sector

The Budget 2020 initiatives for the tourism industry aims to attract more tourists in conjunction with **Visit Malaysia Year 2020** by promoting more investments and positioning Malaysia as the preferred destination for hosting international conferences. Additionally, the **promotion of the Healthcare Tourism** sector aims for Malaysia to achieve RM2.8 billion in medical tourism revenue in 2020 with an estimated economic impact of RM10 billion towards the country's economy. As such, the Budget has included the following incentives for the tourism sector:



The **scope of current tax incentives is expanded** to include **integrated tourism and sports tourism projects**.



New investment for **international theme park** be given incentives as follows:

- Pioneer status with tax exemption of 100% of statutory income for 5 years, or
- ITA of 100% on the qualifying capital expenditure incurred within 5 years, set off against up to 70% of statutory income.



Income tax exemption of 100% of statutory income be expanded to any entities whose main activities are other than **promoting and organising conferences**, provided the organiser brings in at least 500 foreign participants annually.



Income tax exemption of 50% on statutory income of the company that organise:

- Arts and cultural activities approved by Ministry of Tourism, Arts and Culture; and
- International sports and recreational competitions approved by Ministry of Youth and Sports.



Allocation of **RM25 million to the Malaysian Healthcare Tourism Council (MHTC)** to strengthen the position of Malaysia as the preferred destination for health tourism in ASEAN for oncology, cardiology and fertility treatment.





Digital Economy

Digital transformation represents the future business mode of the traditional manufacturing and service industries. Digitalisation will accelerate industrial progress, help improve consumers' satisfaction and boost operation management efficiency, as well as allow manufacturing and services companies to provide goods and services to a larger geographical market. In order to build Digital Malaysia, Budget 2020 has introduced the following incentives to further promote digitalisation and the digital economy within the country:



5G Ecosystem Development Grant

worth RM50 million to seed technological developments by Malaysian companies to ride the global 5G wave which is 100 times faster than 4G.



RM25 million to set up a **contestable matching grant fund** to spur more **pilot projects on digital applications** such as drone delivery, autonomous vehicle, blockchain technology, and other products and services that leverage on Malaysia's investments in fibre optics and 5G infrastructure.



A **50% matching grant** of up to RM5,000 per company for **adoption of digitalisation measures for SMEs' business operations** including electronic Point of Sale System (e-POS), Enterprise Resource Planning (ERP) and electronic payroll system. This matching grant is limited to the first 100,000 SMEs applying to upgrade their systems.



RM550 million for **smart automation matching grants** to 1,000 manufacturing and 1,000 services companies to automate their business. This initiative will benefit companies that have plans for automating their process which in turn, lead to higher production rates and increased productivity, as well as more efficient use of materials and better product quality.





Technical and Vocational Education and Training (TVET)



Extension of double tax deduction on expenses incurred by companies participating in Skim Latihan Dual Nasional (SLDN) for another two years.

- This is to ensure that apprentices are trained to become knowledge workers for the development of human capital.



Extension of scope of double tax deduction currently given to companies undertaking Structured Internship Programme (SIP) approved by Talent Corporation Malaysia Berhad (TalentCorp) to include students from all academic fields rather than just engineering and technology.

- This initiative will provide the nation with a wider base of qualified talent pool.



A matching grant fund of RM20 million to support customised TVET courses undertaken in collaboration with industries.

- This will ensure that there will be a matching of supply and demand and enable local TVET institutions to offer high technology courses based on industry requirements.



HICOM Pegoh PARK

A'FAMOSA RESORT

HONDA MALAYSIA SDN BHD

PHASE 2A

PHASE 2B

PHASE 3

FUTURE DEVELOPMENT

TO JOHORBAHRU
(220 km) 2.2 hours

North-South Expressway

TO KUALA LUMPUR
(120 km) 1.2 hours

729 ACRES
FREEHOLD



INDUSTRIAL HUB



HIGH QUALITY INTEGRATED INDUSTRIAL



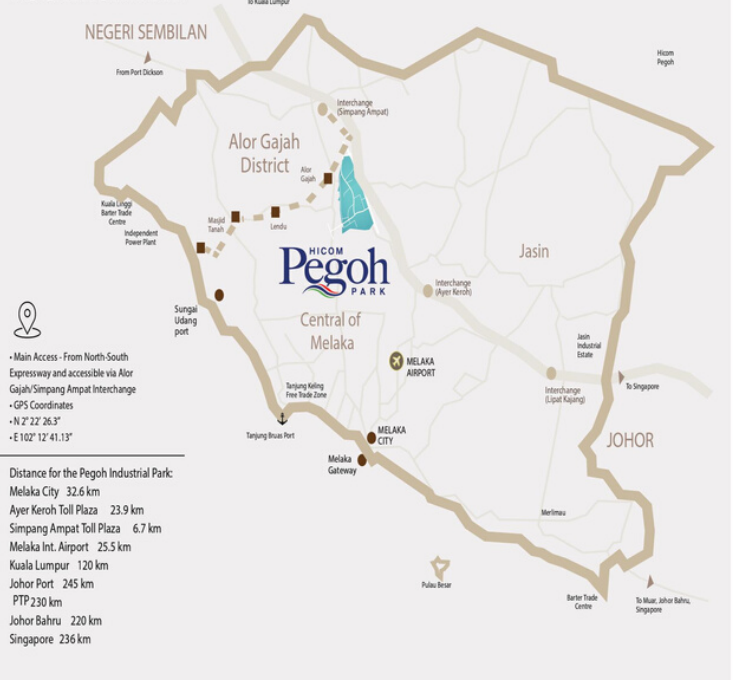
STRATEGIC LOCATION (NSE)

Situated in the industrial and recreational growth centre of the state of Melaka, the 100% **FREEHOLD** Hicom Pegoh Park parallels the North-South Expressway and is easily accessible via the Alor Gajah/Simpang Ampat interchange. This superb connectivity makes the park a convenient hub for cargo transportation, whether to the Tanjung Pelepas Port in Johor or Port Klang in Selangor.

Industrial Plots
Available For Sale
RM 27 psf
Lot Size from 3.5 acres

03 2052 8500 (HQ)

LOCATION MAP

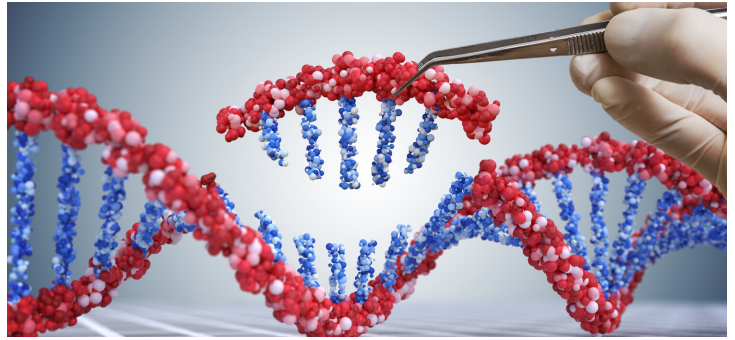


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Biotechnology Industry in Malaysia



Development of Biotechnology Industry in Malaysia

"Science to Business" has been one of the essential criteria being focused by Malaysia in its National Biotechnology Policy. The Policy aims to transform the biotechnology industry into one of the vital economic contributors to the nation.

Malaysia is richly endowed with biodiversity and blessed with a wide array of natural resources that are useful for biotechnology research and development (R&D). Ranked 12th in the world as one of the megadiverse countries, it helps to create the necessary motivation towards developing a biotechnology industry in the country. Generally, biotechnology development in Malaysia can

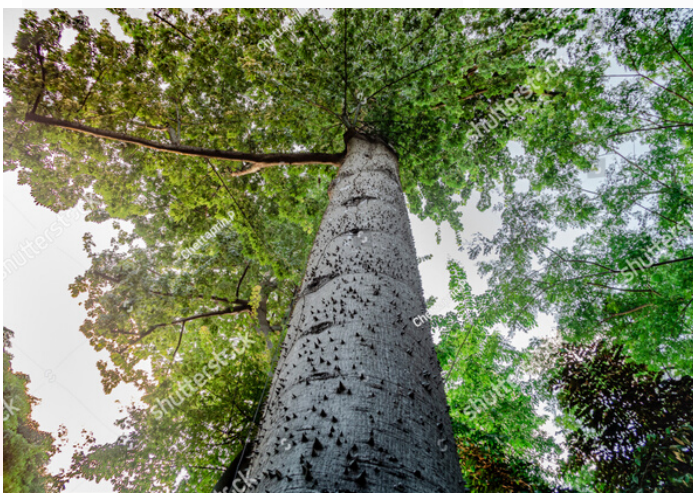
be categorised into four (4) main phases as below:

Phase 1

Before 1995 - The first phase of biotechnology development in Malaysia began with the establishment of basic infrastructures and the necessary equipment to undertake biotechnology R&D. In the beginning, a few numbers of research institutions were assigned to carry out the R&D. A National Working Group on biotechnology was set up under the Ministry of Science, Technology and Environment (MOSTE) to oversee and coordinate biotechnology activities in the country.

Phase 2

1996 to 2000 - During the second phase, the National Biotechnology Directorate (NBD) was formed under MOSTE to further enhance the biotechnology development in the country. The objective of the directorate was to spearhead the development of biotechnology in Malaysia through research and related activities as well as to establish Malaysia as a leading centre for the biotechnology industry. Simultaneously, Biotechnology Cooperative Centers (BCC) was created under NBD to assist in coordinating the National Programme in Biotechnology by building a robust professional network among universities, research institutions and industries to speed up the diffusion of knowledge to the relevant industry.





Phase 3

2001 to 2005 - At the third stage of development, the collaboration between the National Biotechnology Directorate and the Massachusetts Institute of Technology (MIT) initiated the BioValley Strategic Plan. The plan includes the provision of BioValley Malaysia, a Malaysian Biotechnology Cluster, which is expected to accelerate the research and commercialisation of technologies.

The former Prime Minister, Tun Abdullah Ahmad Badawi launched the National Biotechnology Policy on 28 April 2005. The objective of the policy is to invigorate the biotechnology industry to become a new economic engine to enhance prosperity and wellness of the nation by 2020. In light of this, a one-stop agency, namely the Malaysian Biotechnology Corporation (MBC) was established to facilitate the industry's development, including coordination of regulatory policy among different agencies.

Phase 4

2006 and beyond - The development of biotechnology industry during this phase was outlined in the Ninth Malaysian Plan. The government provided an allocation of RM2 billion to support the development of physical and soft infrastructure in the local biotechnology industry. Recognising the importance of a conducive regulatory framework to the success of this endeavour, the government has intensified the promotion of foreign and domestic investments and close collaboration with foreign entities to access new technology, expertise and markets. Efforts are also taken to improve the Intellectual Property (IP) policy and management framework to encourage innovation and safeguard investment in the biotechnology sector.

Driving Malaysian Biotechnology Industry

Biotechnology is recognised as one of the economic engines that will drive Malaysia towards a progressive and high-income nation as the country's conducive environment and growth potential presents a multitude of long-term opportunities for countries with mature biotechnology sectors. Malaysia has been actively strengthening its biotechnology ecosystem in the last eight years, developing its local industry and creating a niche for itself as a reputable biotechnology hub in Asia. Besides cost-competitive skilled labour market, excellent transportation networks, ICT infrastructure, strong government support, active public-private sector participation and cost-effective base of doing business, the exceptional richness of biodiversity in Malaysia has led to the development of biotechnology in the region.



In 2018, the Malaysian Investment Development Authority (MIDA) approved two foreign-owned biotechnology projects with investments totalling RM2.7 billion, more than tripled the approved investments of RM814 million across six biotechnology projects in 2017. Both projects are a mix of new and expansion/diversification ventures and are expected to generate 150 job opportunities for the country.

One of these approved investments was a new project by Leaf Malaysia OpCo Sdn Bhd to manufacture industrial sugars (C5 pentose and C6 hexose), refined glycerol and lignin with an initial first phase investment value of RM818.3 million, and planned expansion equalling a total of RM2.1 billion. The patented Glycell technology will convert biomass (empty fruit bunch fibre) into fermentable sugars which will be used as a major intermediate feedstock for bio-based chemicals, including bio-plastics. The process also yields refined glycerol and lignin as additional high-value by-products for renewable applications. The project creates 92 new jobs opportunities, of which 21 employees will receive salaries of RM10,000 and above.

These new approved foreign investments are a demonstration of the growing impact and importance of the global biotechnology industry. They are also aligned with the goals of the Bioeconomy Transformation Programme and National Biotechnology Policy.

Future Direction

The establishment of the National Biotechnology Policy is a clear indication of the government's intense effort in making biotechnology as one of the main pillars of economic growth. Research has shown that the success of the US biotech industry is centred on nine leading biotech clusters. Biotech activities will naturally take place around centres that have a good connection with research institutes and universities. The existing Multimedia Super Corridor can guarantee the need for high-speed communication between these centres of excellence and the enormous computing power for high-powered biotechnology projects. As such, the upgrading of existing facilities and encouraging researchers through government support would be the way to lure investors and companies in setting up their biotech entities in Malaysia.

Other key factors that contribute towards the success of the biotechnology industry are the availability of venture capital funding and a critical mass of highly qualified biotechnology graduates. Malaysia needs to produce a few hundreds of biotechnology graduates every year to fill up the jobs created in the industry.

MIDA will continue its role in promoting the biotechnology industry to attract more local and foreign investments, thus create employment opportunities and strengthen the biotechnology ecosystem. Continuous support from the government can be seen through the introduction of tax incentives for companies investing in the manufacturing of biotechnology products, which includes significant incentives such as Pioneer Status and Investment Tax Allowance. Eligibility for PS and ITA is based on specific priorities, including the level of value-added, technology used and industrial linkages.



Palm Oil Industrial Cluster (POIC): Unlocking Sabah's Potential

The Palm Oil Industrial Cluster (POIC) Lahad Datu was established by the Sabah State Government in 2005 to spearhead the development of palm oil-based downstream activities. Through the provision of adequate physical infrastructure and policies, POIC serves as a catalyst to accelerate the growth of the palm oil industry in the region. Presently, Sabah is the largest oil palm

producing state in Malaysia, tapping on 1.55 million hectares of its plantation to supply oil palm raw materials for value-adding manufacturing. Apart from palm oil, the Lahad Datu POIC comprises other industrial clusters such as port and logistics, oil and gas, biorefineries and small and medium enterprises. Strategically located along the Lombok-Makassar Straits, POIC is well known for its deep seaport with 20-meter depth.

Corresponding to the completion of the container terminal in 2018, POIC becomes a full-fledged port aiming to be the "Rotterdam of the East" through the emerging of the new industrial port city. The terminal is equipped with the first ship-to-shore cranes in East Cost Sabah and able to accommodate Panamax vessel up to 65,000 deadweight tonnage (DWT). The intrigue features completed the look of POIC's terminal in becoming the first integrated port infrastructure with specific terminals for barge landing, liquid, dry bulk and container cargoes in Sabah.



Figure 1: Strategic location of POIC



On 4 September 2019, the terminal celebrated a significant milestone through the first docking of container vessel 17224 DWT, MV Danum 172. Owned by Shin Yang Shipping Corporation (SYSCorp), the ship brought in nine 40ft containers of cocoa shells and took out nine 20ft containers of fertiliser. This remarkable event augurs well with Sabah's bid to generate more outgoing cargoes. In the past, containers were going out empty, and this has resulted in higher shipping costs for Sabah. The first call was also significant to POIC as an endorsement from a primary shipper like SYS Corp in confirming that the port has connected the dots in shipping and logistics required for industrialisation in Sabah.

The container terminal will also help Sabah in escalating the process of industrial take-off by having more investments in high-value export-oriented downstream products. It opens up the opportunities of being connected with the resource-rich regions such as Southern Philippines, Kalimantan, Sulawesi, Papua New Guinea and the Northern Territory of Australia. These regions are well known as global suppliers of palm oil, cocoa, rubber, timber and minerals, including coal and petroleum. Resources from these countries can be secured and consolidated at POIC for further value-added

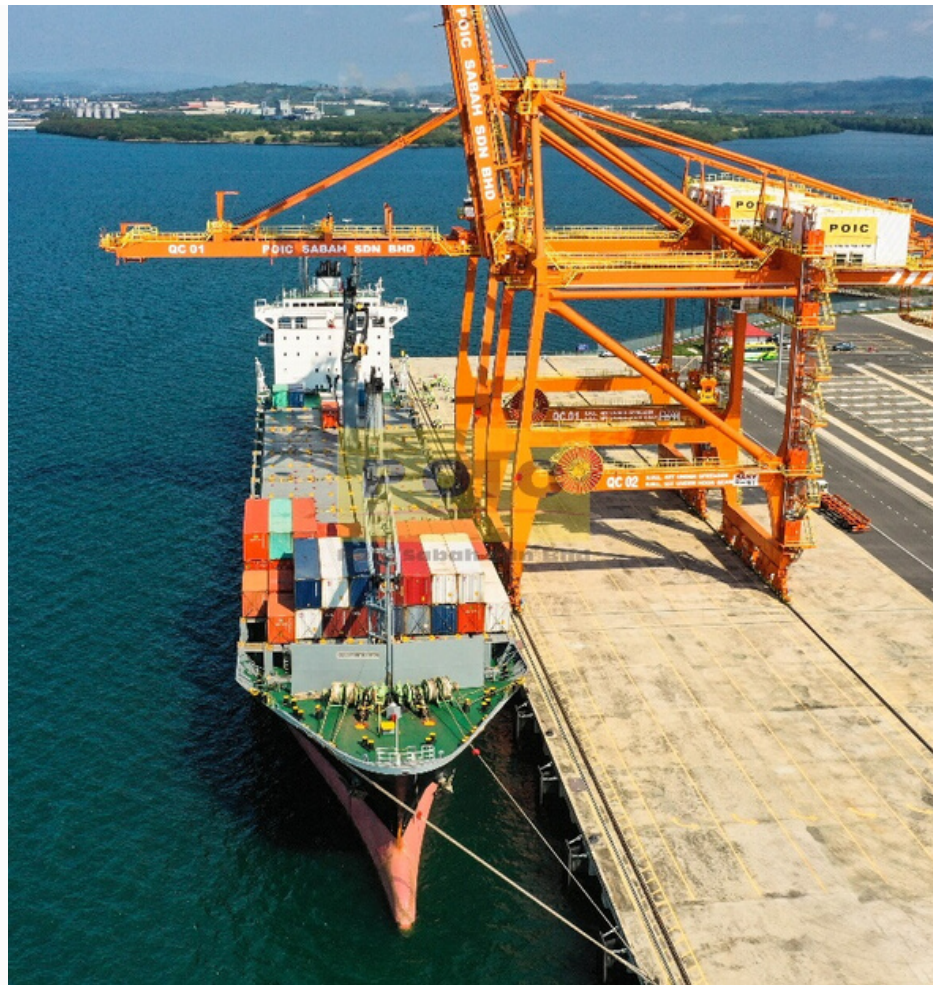


Figure 2: MV Danum 172 at POIC Container Terminal on 4 September 2019

processes before being exported, especially to resource-deficit developed economies such as China, Japan, Korea, Taiwan and Hong Kong.

The geographical centrality of POIC in East Asia yields tremendous advantages for the harbour to be a logistics hub; handling bulk cargo and transshipment for the region. The Lahad Datu POIC can leverage on the growth of global shipping via the Lombok-Makassar Straits, giving rise to massive opportunities in bunkering and ship-related businesses, unlocking potentials for the maritime sector in Sabah - emulating

the Straits of Malacca. Lombok-Makassar Straits, which is much safer, as it is relatively wide and deep, provides an excellent alternative to the Straits of Malacca. Industrialisation is an important agenda of the Sabah government. As the principal investment promotion agency, MIDA assists to promote POIC as one of the potential sites for local and foreign investments. Moving forward, MIDA will continue to intensify its collaboration with the Sabah government to attract more investments that will broaden the state's economy via value adding its natural resources.

Enhancing the Digital Economy Ecosystem

Globally, the traditional manufacturing industry is in the midst of a major change, marking the dawn of smart manufacturing or Industry 4.0. Manufacturers today face several unique challenges as they struggle to stay competitive and deliver greater value to customers. A report by consulting firm McKinsey concluded that the Internet of Things (IoT) will generate an annual value of up to USD11 trillion by the year 2025, corresponding to some 11% of global GDP [1]. Initially, the IoT value will be generated by smart manufacturing; this will be followed by smart cities and smart health.

Mr. Mohd Azanuddin Salleh, the Chief Executive Officer of SIRIM QAS International, sheds some light on differences in the certification process/aspect in the pre and post smart manufacturing environment.

In the smart manufacturing ecosystem, digital information has become a major currency. It is, therefore, imperative that relevant data, applications and software are protected against threats that include terrorism, fraud and piracy. This is where certification can play a role.

Product certification is just as relevant in e-Commerce as in brick-and-mortar businesses," said Mr. Mohd Azanuddin.

He added that the SIRIM certification mark assures the product's quality. Under the SIRIM Product Certification Scheme, manufacturers that have products that comply with the specified standards as well as the proper quality control system in place will be awarded a licence to display the SIRIM mark on that particular product. This way, consumers will know that the products they purchase, whether online or in physical stores, are genuine, reliable and safe.

Manufacturers and sellers, subsequently, will benefit from higher consumer confidence as well as wider recognition and acceptance of their products. As the test reports and certifications are internationally recognised, small and medium enterprises



Mr. Mohd Azanuddin Salleh
Chief Executive Officer
SIRIM QAS International

(SMEs) in particular will find it easier to expand their marketing reach globally.

Gain Market Acceptance Globally

SIRIM QAS International can help manufacturers gain greater market acceptance as its test reports and certifications are internationally recognised. SIRIM QAS International is recognised by leading international bodies. Among others include:

- Registered Certification Body with the APM Group – an international organisation that manages the ISO/IEC 20000 certification scheme
- Accredited by the Department of Standards Malaysia
- Accredited by the United Kingdom Accreditation Service (UKAS)
- A member of IQNet – an international network of leading certification bodies

[1] McKinsey Global Institute, "The Internet of Things: Mapping the Value Beyond the Hype", June 2015.



Adding Value to Digital Economy

Aspiring to meet the challenges of the digital economy, SIRIM QAS International has introduced several certifications to facilitate the transformative business opportunities of smart manufacturing. These include the Information Security Management System (ISMS) certification, the ISO 28000 Supply Chain Security Management System certification and the ISO/IEC 20000 IT Service Management System certification.

The former is aimed at ensuring the security and integrity of information and is based on the ISO/IEC 27001 standard, which provides specific requirements for establishing, implementing, maintaining and improving an Information Security Management System certification.

The ISO 28000 Supply Chain Security Management System certification, on the other hand, targets organisations involved in any stage of the production and/or supply chain. The certification showcases the capabilities of businesses to address security vulnerabilities effectively at both strategic and operational levels and aims to facilitate cross-border trade and transportation of goods. Another central aspect of the digital economy is IT support and maintenance.



Consequently, IT support and maintenance service providers will benefit from the ISO/IEC 20000 certification, which lays out an integrated set of processes and management approaches to enable the smooth delivery of IT services to customers.

With IoT revolutionising lifestyles and businesses, SIRIM QAS International, which has been appointed as the certifying agency for communications, multimedia and hybrid products by the Malaysian Communications and Multimedia Commission (MCMC), also plays an essential role in ensuring that devices and networks are interoperable, safe and legal.

According to Mr. Mohd Azanuddin, "All communications, multimedia and hybrid products are required to obtain certification and to be labelled with the MCMC certification mark. This is a mandatory requirement under the Communications and Multimedia Act (CMA) 1998, and the Communications and Multimedia (Technical Standards) Regulations 2000."

Seamless Cross-border Trade Experience

With the spotlight being trained on the burgeoning digital economy, SIRIM QAS International is committed to consistently enhance its services in a bid to meet changing needs. These include collaborating closely with government agencies to be part of the Digital Free Trade Zone (DFTZ) ecosystem. This will enable SIRIM to issue its certifications and approvals on the digital eServices platform efficiently to facilitate customs clearance in the DFTZ.

"SIRIM is at the forefront of innovations; in upholding this, SIRIM QAS International will be proactively innovating new services that will continue to add value to the digital economy in Malaysia," concluded Mr. Mohd Azanuddin.



MIDA i-Incentives Portal Features 126 Federal Government Incentives

MIDA successfully organised the i-Incentive Seminar at MIDA headquarters on 2 October 2019. The event was held to encourage more participants to embark on technology adoption by familiarising themselves with technology-related incentives that are available in the i-Incentive portal. This portal, launched last year, aims to simplify the interactions among the relevant incentives provider towards better management of information.

This interactive site currently features 126 incentives, including tax exemptions, grants, soft loans and equity financing, is managed by 13 ministries and 29 agencies. "We now have over 2,000 registered users of this portal, and we definitely want to increase the number. We are intensifying our promotional efforts and reaching out to more businesses out there," said Mr Ahmad Khairuddin Abdul Rahim, Senior Executive Director of MIDA at the i-Incentives Seminar on Technology titled Search. Submit. Succeed'.



The Seminar featured a demo briefing on i-Incentives portal, presentations on technology-related incentives by MIDA and participating ministries and agencies from Ministry of Energy, Science, Technology, Environment and Climate Change (MESTECC), Malaysian Green Technology Corporation (MGTC), Agensi Inovasi Malaysia (AIM) and Bank Pembangunan Malaysia Berhad (BPMB), followed by a business clinic session.

Moving forward, the i-incentives Seminar is expected to be conducted in a series tackling different scope and theme. Government agencies offering incentives are encouraged to take full advantage of ICCO's platform and start making their incentives available for access under a single portal at <http://incentives.mida.gov.my>



MIDA at **MITI Day 2019**, held in Kota Kinabalu, Sabah on **19 October 2019**



Dato' Azman Mahmud, CEO of MIDA visited the career fair at MITI Day. The event, organised by MIDA, featured 20 companies and three organisations with over 4,000 job vacancies offered.



MIDA moderated the Pocket talk on e-Commerce and e-Fulfilment in Sabah.



The Director of the Industry Talent and Expatriate Division of MIDA promoted the Career Fair event during the interview by Sabah FM.

Minister of MITI Launches the Federation of Malaysian Fashion, Textiles & Apparels (FMFTA) at MIDA Headquarters

On 29 October 2019, YB Datuk Darell Leiking, Minister of International Trade and Industry, launched the establishment of the Federation of Malaysian Fashion, Textiles & Apparels (FMFTA) in MIDA headquarters, themed 'Fashion and Technology Shaping the Future'. The launching was attended by over 200 participants, including industry experts, designers as well as representatives of associations. The event included a talk on 'Fashion-Tech Shaping the Future', followed by a Fashion-Tech Showcase. Dato' Sri Tan Thian Poh has been elected as the Chairman of FMFTA Pro-tem Committee.

According to YB MITI Minister, "FMFTA will represent the collective and cohesive voice of the local textiles and apparels industry. This Federation will play an essential role in establishing the vital linkages to build a stronger comprehensive ecosystem with participation from multiple stakeholders, focusing on talent, skills and innovation. This is a crucial stepping stone to develop and enhance the coordination and promotion of the local industry, boosting domestic consumption and improving integration of stakeholders into the global value chain."



YB Datuk Darell also launched the Handbook of Malaysian Designers in Fashion, Textiles and Apparels produced by MIDA and partners during the event. The Handbook, which consists of over 400 designers in the country, will be a useful reference material for stakeholders to seek information and opportunities as well as a medium to promote products and services to both domestic and international business communities.

Dato' Azman Mahmud, CEO of MIDA, in his opening speech highlighted that the Malaysian fashion retail industry is very dynamic, in line with the changing trends and evolving consumer demands. Looking at the upstream and downstream segments of the industry, a total of 1,195 textiles and apparels projects, worth RM12.6 billion have been implemented within the country, as of December 2018. These projects have created over 155,000 job opportunities. For the first half of 2019, MIDA has approved an additional investment of RM94.4 million in 5 projects.



Highlights of October >>>



Mr Ismail Abu Bakar, Executive Director, Manufacturing Development (Resource), shared MIDA insights on 'Energy and Industry-Driving Future Growth in Sarawak' during the Sarawak Investment and Business Summit held on 1 October 2019.



Congratulations to Kemikon for the grand opening of its operation in Malaysia to produce high-tech equipment on 3 October 2019 in Pulau Pinang. The manufacturing facility attests to foreign companies' confidence in Malaysia as a strategic location to meet the growing economic demand in the region.



On 7 October 2019, MIDA team, led by Mr Arham Abdul Rahman, Deputy CEO of MIDA had a fruitful meeting with Datuk Kamarudin bin Meranun, Executive Chairman of Air Asia Berhad.



Following the announcement to organise the High-Level Dialogue on ASEAN Italy Economic Relations in June 2020 in Kuala Lumpur, a follow-up meeting with Ambrosetti was held on 7 October 2019 at MIDA Headquarters led by Mr. Arham Abdul Rahman, Deputy CEO of MIDA. It was the first visit for Ambrosetti to MIDA.



Dato' Azman Mahmud, CEO of MIDA participated as one of the panelist for the NST Insight Forum held on 9 October 2019. Other panellists were YM Raja Azmi Raja Nazuddin, Group CEO of Malaysia Airports Holdings Berhad (MAHB) and Mr Andrew Herdman, Director General of Association of Asia Pacific Airlines (AAPA). The session that was broadcasted live on Facebook, discussed on Malaysia as a preferred aviation hub.



MIDA participated as the strategic partner of the International Greentech and Eco Products Exhibition and Conference Malaysia (IGEM) 2019 held from 9-11 October 2019 at KLCC. IGEM was among the essential platforms for MIDA to create greater awareness of the facilities available to promote Malaysia's green agenda.



Dato' Azman Mahmud, CEO of MIDA, signed an MoU with the Investment Promotion Agency Qatar (IPAQ) on 10 October 2019 to enhance cooperation and investment crossflows between Qatar and Malaysia.



MIDA welcomes the official opening of first facility of EDA Malaysia Industries Sdn.Bhd. in Malaysia on 10 October 2019. This dynamic and experienced manufacturer of Burn-In and Test Equipment signifies Malaysia as a preferred destination for long term investment within the region.



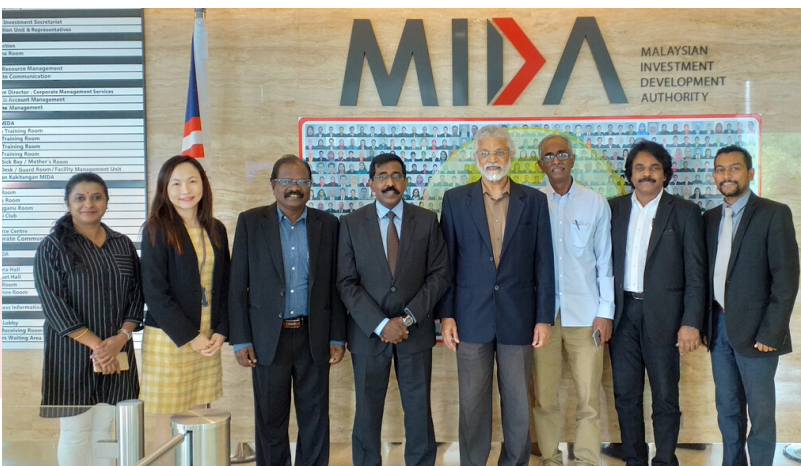
On 10 October 2019, Ms. Yusni Md. Yusop, Director of MIDA Pulau Pinang presented on 'Investment Incentives Related to Industry4WRD' at the TM One, MIDA and MITI's Roadshow for the Northern Region. It was indeed an insightful and engaging session.



Mr. S. Siva, Executive Director of Investment Promotion, MIDA was one of the panellist for the 1st Session: Thematic Discussion session held on 12 October 2019 in conjunction with the 9th Malaysia-China Entrepreneurs Conference (MCEC 2019) at MITEC Kuala Lumpur.



Ms. Yusni Md. Yusop, Director of MIDA Pulau Pinang shared on 'Government Incentives to Support Industry 4.0 Journey' at the Industry4.0 Forum Series: 'What's In It For Me'. Held on 15 October 2019, this public-private event was a collaboration effort between MITI and SME Association of Malaysia.



On 15 October 2019, MIDA team led by Mr. S. Siva, Executive Director of Investment Promotion had a fruitful meeting with the Perak Indian Chamber of Commerce (PICC) at MIDA HQ.



On 17 October 2019, MIDA Selangor successfully linked 18 companies with IKEA Supply (Malaysia) Sdn. Bhd. through the MIDA Supply Chain Programme.



On 23 October 2019, YB Yeo Bee Yin, Minister of Energy, Science, Technology, Environment and Climate Change (MESTECC) and Dato' Azman Mahmud, CEO of MIDA witnessed the signing of an MOU between UOB Malaysia and leading local solar energy service providers, namely ERS Energy, PlusSolar and Solarvest to promote the adoption of solar power by the end-users which include companies and consumers.



Mr. S. Siva, Executive Director of Investment Promotion, MIDA was one of the panellists at the PwC Budget 2020 Seminar held on 23 October 2019. It was an insightful discussion on 'Encouraging Domestic and Foreign Investments: What Makes Malaysia Attractive'.



Dato' Azman Mahmud, CEO of MIDA was invited as the Guest of Honour for the Korea Business Dialogue 2019 held on 24 October 2019 in commemoration of the 10th anniversary of the Korean Chamber of Commerce Malaysia (KOCHAM).



A joint seminar on 'Doing Business in Asia: Why Malaysia?' between MIDA, FINDEC, Business Sweden was held in conjunction with the Iskandar Regional Development Authority (IRDA) working visit to Stockholm on 24 October 2019 at the Embassy of Malaysia, Sweden.



Mr. Awangku, Director of MIDA Milan was one of the speakers at the Seminar on 'Malaysia: Industry 4.0 & Startups Initiatives' held in Rome on 25 October 2019. The event was jointly organised by the Malaysian Embassy in Italy and Diplomacy in Rome.



On 28 October 2019, MIDA had another successful collaboration with KPMG. Mr. Mohamad Reduan Mohd Zabri, Director of MIDA Seoul was one of the speakers for Samjong KPMG Investment Seminar 2019. A total of 50 KPMG clients participated in the seminar.



Ms. Zetty Hamimi, Director of MIDA Negeri Sembilan shared insights on various facilities available for the businesses particularly SMEs at the XME Business Park Launching event organised by Sime Darby Properties in Nilai, Negeri Sembilan on 30 October 2019. The briefing session was attended by 70 participants.



On 31 October 2019, Mr. Norhizam Ibrahim, Director of the Advanced Technology and Research & Development Division of MIDA presented on Industry 4.0 related incentives at the Industry4WRD Summit, held in MITEC, Kuala Lumpur.

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- SPV 2030 to close the wealth gap
- Malaysia's economic power to grow as country integrates with Asian economies
- Malaysia to boost economy in 2020 as Sino-US trade war drags on
- Malaysia an attractive investment destination for UK tech companies – Gobind
- Mida: Sarawak may get investments worth billions
- 'Malaysia firms optimistic about business outlook in Q4'
- Besides traditional markets, Malaysian companies should invest in new emerging markets – MIDA
- Malaysia's improved doing business ranking to bolster investor confidence – Economist
- Malaysia a strong and trusted partner in Southeast Asia -- Austrian ambassador
- US, China investors remain confident in Malaysia's business environment – MITI
- Malaysia's attractiveness as investment destination in weak economy

INDUSTRY NEWS

- Plastics recycling industry can contribute up to RM20 bil to economy
- MREPC to roll out new incentive for rubber product industry
- MyNEWS launches Japanese inspired ready-to-eat food production centre
- Tyre-maker launches new plant building in style
- Heng Huat to become leader in coconut fibre mart via SKT acquisition
- Deputy minister: MITI to provide financial aid to companies registered under Industry 4.0
- Rolling out tyres globally
- Taiwanese company pumps additional RM40 million to set up new plant in Perak
- Ann Joo, Southern Steel in JV for long product steel manufacturing
- Ni Hsin to invest Rm10mil to expand into marine, O&G sectors
- Trade war rejuvenates 'Silicon Valley' firms in Malaysia
- US-China trade war offers upside to Malaysian medical device makers: Fitch Solutions
- Penang offers value for foreign E&E firms – Expert
- Growing interest in MRO and aerospace sector: MIDA
- Thabet to make Malaysia its hub
- Manufacturing sector underpinned by strong private investment: Tun M



SERVICES NEWS

- SME players can begin journey towards IR 4.0 with a small step - MTDC CEO
- PNB, Hilton to open first Conrad Hotels & Resorts in Malaysia
- Getting industry to lead TVET
- VSolar signs MoU for Seremban solar energy generation facility
- Maxis and Huawei ink agreement to roll out 5G network in Malaysia
- Govt committed to commercialising local tech products, apps
- Government announces enhancement to principal hub incentive
- Solarvest collaborates with UOB in promoting solar energy
- Cypark inks deals to jointly develop solar projects
- Tax incentives set to benefit solar players
- TPM set to house AI park
- Ikea to spend RM300M on expansion
- Malaysia one of the most benchmarked countries in region for alternative financing — economist

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Sample of MIDA's homepage at www.mida.gov.my

E-Newsletter

With more than 18,000 registered subscribers and growing, our monthly English E-Newsletter contains the latest industry and services updates as well as activities held throughout the month.




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Sample of MIDA's E-Newsletter

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3 Digital Signages
Our digital signages are situated within our HQ building in KL Sentral, which receives heavy number of visitors daily



One of our video walls at MIDA lobby



Some of our LCD TVs at MIDA lobby

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Homepage RM1,500 per week
Second Page RM1,000 per week/slot

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Perdana + Banquet Hall	Inclusive of: • VIP Holding Room • PC Room • Basic AV System	7,500	9,000
F&B Packages*		G	P
A	Inclusive of: • Refreshment • Tea Break • Lunch • Hi-Tea	From RM100/ pax	
B	Inclusive of: • Refreshment • Tea Break • Lunch	From RM80/ pax	
C	Inclusive of: • Refreshment • Tea Break/Hi-Tea	From RM50/ pax	

*Exclusive of:
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*F&B by MIDA's panel caterers

G = Government
P = Private

		Rates (RM)	
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Sigma/Gamma Room (40 pax)	Inclusive of: • Basic AV System • 1 Flipchart • 2 Mahjong Paper • 2 Marker Pens	850	950
F&B Packages		G	P
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Japan Room

		Rates (RM)	
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USA Room (25 pax)	Inclusive of: • Basic AV System	1,500	1,850
Japan Room (50 pax)	Inclusive of: • Basic AV System	1,500	1,850
F&B Packages*			
A	Inclusive of: • Refreshment • Tea Break • Lunch • Hi-Tea	From RM100/ pax	
B	Inclusive of: • Refreshment • Tea Break • Lunch	From RM80/ pax	
C	Inclusive of: • Refreshment • Tea Break/Hi-Tea	From RM50/ pax	

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ABOUT MIDA

The Malaysian Investment Development Authority (MIDA) is the Government's principal promotion agency under the Ministry of International Trade and Industry (MITI) to oversee and drive investments into the manufacturing and services sectors in Malaysia. Starting operations in 1967, MIDA is the first point of contact for investors who want to take advantages of Malaysia's vibrant economy, world-class infrastructure and business-friendly environment to set up their profit centre in Asia. For more information, visit www.mida.gov.my or email us at investmalaysia@mida.gov.my.

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