

Malaysia, Your Profit Centre in Asia

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In this issue...

- Immigration Unit at MIDA, Facilitating Businesses Since
- China's Plastic Waste Ban & Its Global Implications
- Digital Transformation
 Acceleration Programme
 (DTAP)

HIGHLIGHTS

Immigration Unit at MIDA, Facilitating Businesses Since 2007

Many may not be aware that an on-site Immigration Unit has been established in MIDA HQ since 3 December 2007. The unit, with a staff strength of 10 officers, aims to improve the Government delivery system relating to the issuance of work permits and visas of related applications approved by MIDA. The Unit also assists and advises MIDA in terms of immigration matters.

Its scope of function covers the following:

EMPLOYMENT PASS

for expatriates based on number of posts approved by MIDA

WORKING PERMIT (PLKS) for maid(s) of expatriates

SOCIAL VISIT PASS

for dependents of expatriates, e.g. parents in law, common law wife

Issue endorsed
EMPLOYMENT PASS
STICKER to Principal and
Dependents

DEPENDENT PASS

for dependents of expatriates, e.g. wife and children below 18yrs old

Endorsement of STUDENT PASS for dependents (under 18 years old) of expatriates, who do not require a student pass

VISA WITH REFERENCE (VWR)

for expatriate/ dependent who are required a VWR to enter and work in Malaysia

From 2015 – 2017, the Immigration Unit has approved a total of 14,823 applications of which 48% were for Employment Passes, 40% were for Dependent Passes and the rest were Social Visit Passes, Visit Passes (Temporary Employment) and Student Pass/Permission to Study. Processing fee ranges from RM60 to RM300 depending on the type of passes. The breakdown is as follows:

HIGHLIGHTS

	FEES			
Type of Passes	Passes (Per Year) RM	Visa	Levi	Process (Per Aplication) RM
Employment Pass i) Key Post ii) Term Post	i) 300 ii) 200	According to the Country	-	125
Dependent Pass	90	According to the Country	-	50
Social Visit Pass	600	According to the Country	-	50
Visit Pass (Temporary Employment) First Maid Second Maid	60 60	According to the Country	410 590	125



In considering applications for expatriate posts, the representative from the Department of Labour provides feedback on the availability of relevant skilled Malaysian personnel to fill the posts applied for by companies. This is a proactive measure undertaken by MIDA to match supply and demand of skilled personnel in the labour market.

Besides the Immigration Department, other representatives stationed at MIDA are from the Department of Labour, Tenaga Nasional Berhad (TNB), Royal Malaysian Customs, Telekom Malaysia Berhad and Department of Environment. This gives businesses convenient access to the relevant agencies and authorities that would be involved in the implementation of their projects. The presence of these representatives in MIDA ensures that enquiries of investors are addressed quickly and efficiently.

INDUSTRY NEWS

China's Plastic Waste Ban and its Implication

Plastics are highly useful materials and are increasingly used across the economy, serving as a key enabler to meet the demands of consumers and industrialisation. However, the increased use and production of plastic in developing and emerging countries is of a particular concern to global environmental issues, as the waste management infrastructure may not be adequately developed to deal with the increasing levels of plastic waste.

China is the world's largest waste importer previously accounting for more than half of the world's waste exports. In 2016, China had imported 7.3 million tonnes of plastic waste (US\$ 3.7 billion) from developing countries. The largest exporter of plastic waste to China was the USA accounting for 21 percent of the country's total import, followed by Japan (18%), Germany (12%) and the United Kingdom (9%).

INDUSTRY NEWS

For many decades China was willing to accept these wastes, process them, and put them back into the economy. However, in July 2017, China announced to the World Trade Organization (WTO) that it would stop imports of 24 kinds of waste, among them eight were different types of plastic. Following this announcement, global green environmentalists around the world are of the view that this would not only clean up China, it would also force other countries to manage the recycling of their own plastic waste.

China's ban on import of scraps might have a positive impact globally for recyclables. With a drop in high quality plastics imports, China producers have to scale up the quality of plastic supply while sourcing for refined recycled materials abroad as China will only import processed recycled materials and not scraps. Exporting countries are also forced to implement measures to cut down their plastic consumption and increase their recycling facilities. The consumer market is also changing towards adopting techniques that employ efficient production and reduce plastic packaging.

The announcement has also triggered a global concern in the developed countries. In January 2018, USA stopped collecting certain types of plastic due to unavailability to unload the plastic waste. The



impact is also felt in the UK as streets began to fill with plastic waste. As part of the global initiative, the European Union has implemented an EU Plastic Strategy followed by an introduction of a plastic tax. The EU intends to make all plastic packaging on the European market recyclable by 2030, while the UK is aiming to achieve "zero avoidable plastic waste" – but not until 2042.

While Australia has also begun stockpiling its plastic scrap, New Zealand has conceded that the ban has created challenges and they expect to turn to Indonesia for recycling needs. Japan meanwhile has begun providing subsidies on equipment for plastics recycling companies to turn bottles and trays into pellet before sending them to other countries for recycling. According to data provided by Brussels-based Bureau of International Recycling (BIR), the volume of plastic waste imported into Southeast Asian countries is increasing.

In Malaysia, the volume of plastic waste imports rose from 288,000 tons in 2016 to 450,000 – 500,000 tons in 2017, an increase of almost 50 percent. Many industrialists in Malaysia see the plastic waste recycling as a promising industry. It is one of the most dynamic and established industries in Malaysia's manufacturing sector.

There are about 1,300 companies in operation, producing products ranging from common household items, packaging materials and conveyance articles to parts and components for the electrical and electronics, automotive, office automation, computer and telecommunications industries. To date, MIDA has approved a total of 54 projects for recycling waste plastic materials with investments of RM305.2 million.

In general, a company intending to undertake plastic waste recycling is required to apply for an Approved Permit (AP) from *Jabatan Pengurusan Sisa Pepejal Negara* (JPSPN). This authority issues the import license for plastic waste under the HS Tariff Code of 3915 (i.e waste, parings and scrap, of plastics). Also, the company will be imposed with the following condition in their Manufacturing Licence: "Company is not allowed to import plastic waste from overseas. Company can only recycle local plastic waste including from FIZ/LMW".

INDUSTRY NEWS

As reported by Reuters, Malaysia should take advantage of the availability of raw materials to export high quality resins to China to improve the country's balance of trade rather than relying on Chinese investors to set up low value recycling plants in Malaysia. It should be noted that too much importation of plastic scrap to support the recycling activities will disrupt the local ecosystems. It will also result in more wastage of resources as recycling factories' that uses low-efficiency production methods require a large amount of water, energy and human labour.

SERVICES NEWS

Digital Transformation Acceleration Programme (DTAP) A Strategic Partnership between MIDA and MDEC

Digital transformation enhances the ecosystem which in turns increases the productivity and sustainability of Malaysia. Companies, whether they are in the manufacturing or services sector, need to future-proof their businesses to remain competitive. For starters, digitalisation has to first become a priority in the management's agenda, which translates into the willingness to make the necessary investments. Businesses across the value chain will need to assess their existing structure, skills, and methods in collecting and analysing data to steer a data-centric business model.



In the context of Malaysia, companies are still lagging behind in adopting digital technologies due to budget limitations, the perception that digitalisation is fast-paced and complex, and a shortage of digital professionals. To catalyse the shift against these challenges, MIDA has partnered with the Malaysia Digital Economy Corporation (MDEC) to initiate the Digital Transformation Acceleration Programme (DTAP).

DTAP, which was kicked off on 9 April 2018, aims to elevate Malaysian companies and enable them to penetrate the global value chain and become world class entities. The programme will provide home-grown companies in priority sectors with a structured approach towards digital transformation. Participants of DTAP will work with Digital Transformation Labs' (DTLs) partners, who consist of global experts, to provide consultancy and expertise in development and execution of digital transformation pilots. These DTLs will be the key that connects Malaysian companies to the much needed global digital exposure aligning to Industry 4.0 emphasising in IoTs, Data Analytics, Machine Learning and Artificial Intelligence, among others.

SERVICES NEWS

The programme is devised in 2 phases; pilot and scale up. The pilot phase will be a platform for businesses to leverage on the DTLs' expertise in identifying 'pain points' and opportunities in the digital space to discover solutions and ultimately implement proof of concept/ minimum viable product with measurable outcomes. Once the pilot phase is successfully completed, businesses can graduate to full scale implementation.

DTAP is complemented with an outcome-based matching grant, a result of the MIDA-MDEC partnership. The grant for the pilot phase will be reimbursable on the outcome achieved, which is measured through increased productivity, reduced foreign labour and creation of a new source of growth or business model. More information on the matching pilot grant can be found at the following link: https://www.mdec.my/dtap



EVENTS

Malaysia Welcomes Tactilis' First Dedicated Biometric Smartcard Manufacturing Facility in Malaysia



Tactilis which manufactures biometric smartcards is setting up its first global facility in Malaysia. The investment based in Penang will be undergoing transformation to meet the need of global demand and become the Tactilis' Centre of Excellence for its Global Manufacturing and Research & Development.

On congratulating Tactilis during its official opening ceremony on 5 April, Dato' Azman said, "MIDA welcomes Tactilis' establishment which embraces elements of new technologies such as smart manufacturing, Internet-of-Things (IoT) and Industry 4.0. This significant investment will create business and job opportunities for Malaysians.



For example, our local suppliers will benefit much especially those in the areas of automation equipment design. This will ultimately boost the competitiveness of our local suppliers in meeting international standards and enable them to integrate themselves into the global value chain."

Tactilis has invested RM36 million to date and plans to invest an additional RM40 million to expand its Penang plant capabilities. This expansion will create another 100 job opportunities.



MIDA Inks MOU with Cosmetic Valley France, Set to Boost Innovation in Halal Cosmetics Industrial Cluster in Malaysia

On 19 April, MIDA signed and exchanged a Memorandum of Understanding (MoU) with Cosmetic Valley France (CVF) during a MIDA Mission to Paris led by the Chief Executive Officer (CEO). This MoU reflects the shared ambition between both entities to develop a sustainable cosmetics and personal care industry cluster in Malaysia through the sharing of information, mutual promotional initiatives and R&D efforts particularly in the Halal segment. Ultimately, this will contribute towards providing new and innovative products to the market and enhancing economic growth for both Malaysia and France.

Signing the agreement, Dato' Azman Mahmud, CEO of MIDA said, "We are excited to work with CVF, a renowned point of reference for global cosmetics, to advance the development of this industry in Malaysia through various initiatives. This includes leveraging on promotional platforms such as Cosmetic 360 – an international event which showcases creativity and



innovation in the cosmetic industry supply chain; facilitating business matching sessions that allow our local players to tap into the technical and regulatory know-how of French companies; and supporting research & innovation as well as training efforts among all stakeholders through projects such as Cosmetopeia."



MIDA Signs Tripartite Pact with Daher&IoT Valley: Woo More French Investments, Drive Innovation in Aerospace Logistics

In line with the technological advancements taking place in Malaysia, MIDA signed a tripartite pact with Daher and France's IoT Valley on 20 April 2018. The Memorandum of Understanding (MoU) will contribute towards promoting more investment and business cooperation between France and Malaysia, particularly in the development of IoT and logistics in Malaysia's aerospace industry.



"France is no doubt one of the important trading partners and source of investment for Malaysia. Many French companies have had a long standing presence in Malaysia and we are proud to host notable players such as ST Microelectronic, Lafarge, Arkema, Decathlon, Safran. Airbus. Technip FMC, Saint-Gobain, International SOS. We continue to welcome investments particularly in new growth areas. French companies have also been making Malaysia their regional and global hub. From 2006 to 2017, a total of 85 projects have been approved with investments of RM2.2 billion. These include ESI Group (Regional Office), Saint Gobain (Operational Headquarters), InfoVista (Operational Headquarters), Monin (Regional Distribution Center), Technique Des Centre Mecaniques-CETIM (Representative Office)," said the CEO of MIDA.



Highlights of April 2018



Deputy CEO II of MIDA, Mr Arham with key executives from Cargill, Coca Cola, eBay and Vriens & Partners discussed on 'Asian Integration - Aligning the Region' at the Asia Pacific Council of American Chambers of Commerce (APCAC) Business Summit 2018, KLCC Convention Centre on 5 April.

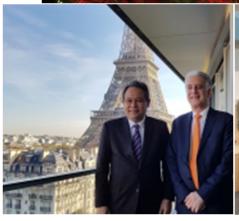


On 9 April, MIDA and MDEC launched the Digital Transformation Acceleration Programme (DTAP) to encourage business transformation in Malaysia.



BFM 89.9 published a short video on 18 April which highlighted the spill over effects of an investment approved by MIDA. Watch it **HERE**.







MIDA CEO Dato' Azman led a MIDA Mission to London and Paris. He participated in the Commonwealth Heads of Government Meeting (CHOGM) 2018, signed 2 MoUs with Comestic Valley France and Daher & IoT Valley and had several engagements with companies and potential investors, among others.

STRONG FRCCI SQUISARD FRCCI SQUISARD

MIDA Mumbai had an interactive meeting with Members of the Federation of Karnataka Chambers of Commerce & Industry (FKCCI) at Cabinet Hall, FKCCI.





MIDA gave a briefing to the Gagasan Badan Ekonomi Melayu (GABEM) on April 24



MIDA delegates led by CEO of MIDA, Dato' Azman met with the Lulu Group in Dubai. Potential investment spill overs to Malaysia's retail, supply chain, hospitality and manufacturing sectors.



On 27 April, MIDA participated in the Science to Action (S2A) Talk Series with the theme 'What's Next for Local Rail Industry; Towards a National Rail Hub", held at MIGHT Cyberjaya.

NEWSLINKS

MIDA IN THE NEWS

CEO: MIDA on track to hit RM200bil target for 2018

ECONOMY NEWS

Bahrain eyes tie-up with Malaysia

Malaysia remains attractive

PwC: Malaysia to be 24th largest economy in the world by 2050

MIDA expects positive growth in E&E sector this year

World Bank raise Malaysia GDP forecast

ECA: Foreigner friendly policies attract talent

NEWSLINKS

INDUSTRY NEWS

Petronas expands tie-up with Daimler

TekSeng plans RM20mil investment to produce plastic films

Cutting Down Cost In O&G Sector

Muar Furniture Park set to spur exports, industry growth

Top 5 in S-E Asia goal on track

HiapTeck to sell 20% of Eastern Steel

Spritzer spending RM65mil to expand warehouse, output

CBB enters into JV with China-based Honda Printing to produce boxes

Cypark to allocate RM200mil for capital expenditure

MARGMA sees over 10pc export growth

Local manufacturing to see sustained growth

SLP ups production capacity

South Korea's Iljin Materials invests RM2.2bil in Sama Jaya Free Trade Zone

BAE Systems to set up MRO, vocational training centre

Leonardo eyes stronger presence in Malaysia

CVC wants to gobble up Munchy

Pantech bullish on outlook as higher oil price drives O&G activities

MIDA inks MoU with Cosmetic Valley France

Texchem Allocates Rm49m To Expand 3 Divisions

UMW to divest remaining O&G business by year-end

New products to drive sales

Polymer aims to enter U.S. market

Porex scales up investment in Malaysia, sees increasing demand

NEWSLINKS

SERVICES NEWS

Malaysian IT spending to reach RM64.4 billion in 2018, says Gartner

US-based Hematogenix plans oncology lab

KPJ gears up for Industry 4.0

G3 Global to release new IoT products for S-E Asian market

DHL Express invests RM11m to build Southern Malaysia Gateway

Wesports to spend up to RM15b for terminal capacity expansion

Comintel Corp expects first waste-to-energy plant to contribute to earnings by June





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 that want to take advantage 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 e-mail us at investmalaysia@mida.gov.my.

MIDA, your first point of contact for investments in Malaysia.



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