

FACILITIES FOR INVESTMENT

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MIDA IN BRIEF

Who Are We?



MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY

The principal Malaysian Government agency responsible for the promotion of investments and coordination of industrial development and selected services sectors in the country. Established in 1967 under Act of Parliament, 1965.

1st point of contact for investors who intend to set up projects in the manufacturing and services sectors in Malaysia

- Foreign Direct Investment
- Domestic Investment
- Manufacturing & Selected Services

PROMOTION



EVALUATION



- Manufacturing Licenses
- Tax Incentives
- Expatriate Posts
- Duty Exemption
- Principal Hub & selected services

- Assist companies in the implementation & operation of their projects
- Facilitate exchange & coordination among institutions engaged in or connected with industrial development
- Advisory Services

MONITORING



PLANNING



- Planning for industrial development
- Recommend policies & strategies on industrial promotion and development
- Formulation of strategies, programmes and initiatives for international economic cooperation

20 Overseas Centres around the world

US

- New York
- San Jose
- Chicago

EUROPE

- London
- Stockholm
- Munich
- Frankfurt
- Milan
- Paris
- Dubai

ASIA PACIFIC

- Tokyo
- Osaka
- Beijing
- Guangzhou
- Shanghai
- Seoul
- Mumbai
- Singapore
- Taiwan
- Sydney



12 State offices



Headquarter KL Sentral, Kuala Lumpur

Address:
MIDA Sentral
No. 5 Jalan Stesen Sentral 5
KL Sentral
50470 Kuala Lumpur
Tel: 03 – 2267 3633
Fax: 03 – 2274 7970
www.mida.gov.my



Based in MIDA

MIDA as a One Stop Centre



Immigration
Department



Royal Malaysian
Customs



TENAGA NASIONAL



Labour
Department



Telekom Malaysia
Berhad

Based outside MIDA



Department of Occupational
Safety & Health



Partners In Investment Promotion

Northern Corridor Investment Authority (NCIA)



- Tourism
- Manufacturing & Design
- Modern Agriculture
- Logistics
- Education & Health

- Financial Services
- Petrochemical and Maritime
- Healthcare
- Tourism and Logistic Industry
- Manufacturing & Services

Iskandar Region Development Authority (IRDA)



East Coast Economic Region Development Council (ECERDC)

- Tourism
- Oil & Gas
- Manufacturing
- Agriculture
- Education

Sabah Economic Development Investment Authority (SEDIA)



- Agro-based Industry
- Tourism
- Logistics
- Manufacturing

Regional Corridor Development Authority (RECODA)



- Resource Based Industry - Aluminum, Glass, Steel, Oil-based Industry, Palm Oil,
- Fishing & Aquaculture, Livestock, Timber-based, & Marine
- Energy
- Tourism



Previously known
as Biotechnology
Corporation



InvestPerak



Pahang State Development
Corporation



Johor State
Investment Centre



Negeri Sembilan
Investment Centre



InvestPenang



Invest Kedah



Sarawak Economic
Development Corp

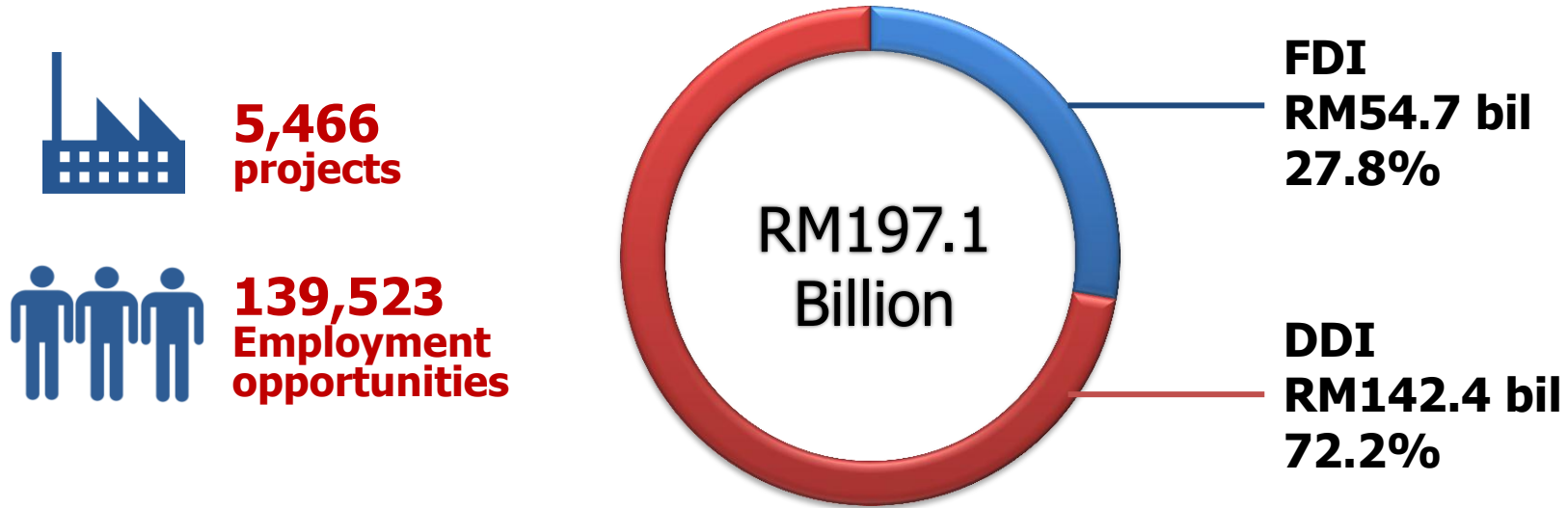


Invest Selangor Berhad



APPROVED INVESTMENTS

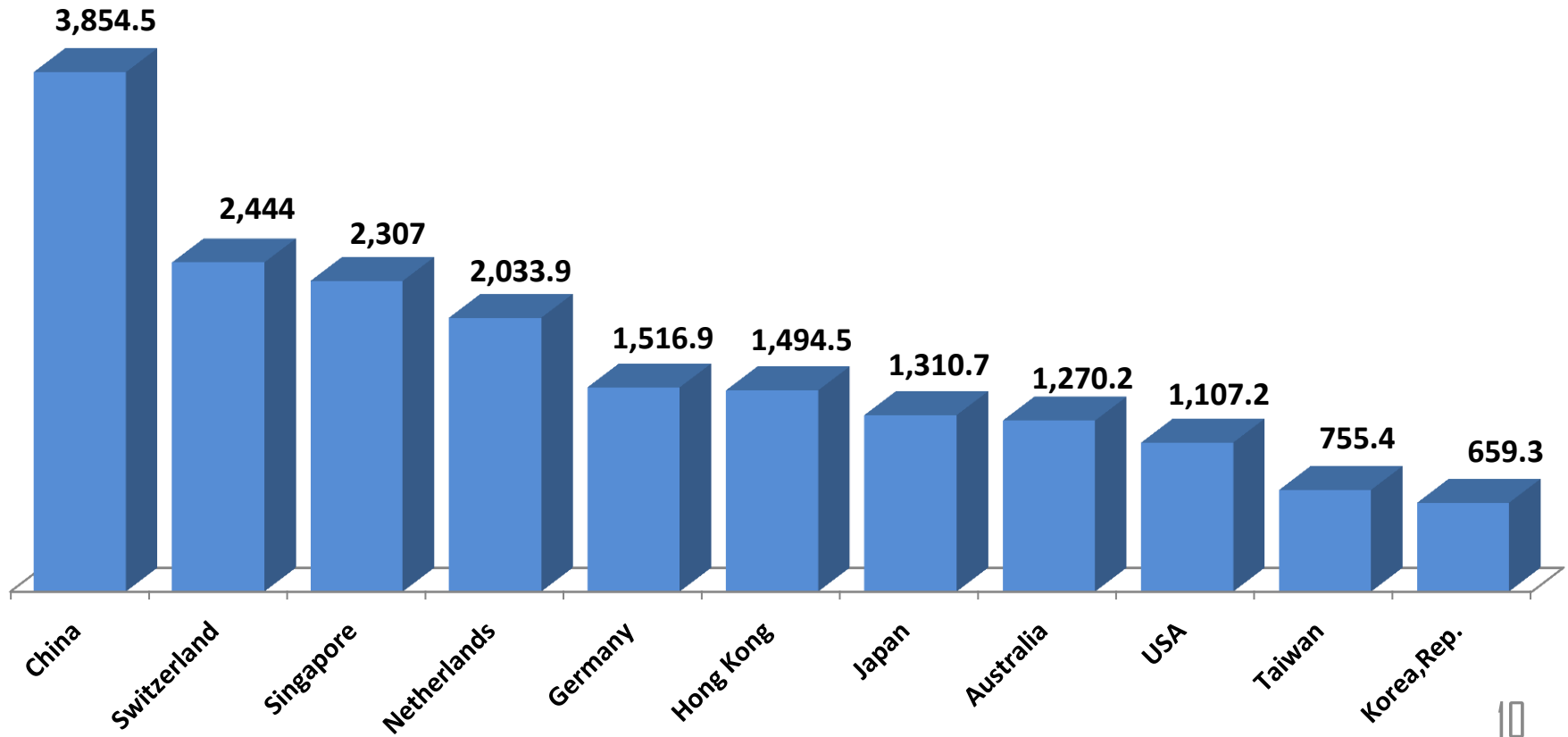
Total Approved Investment 2017



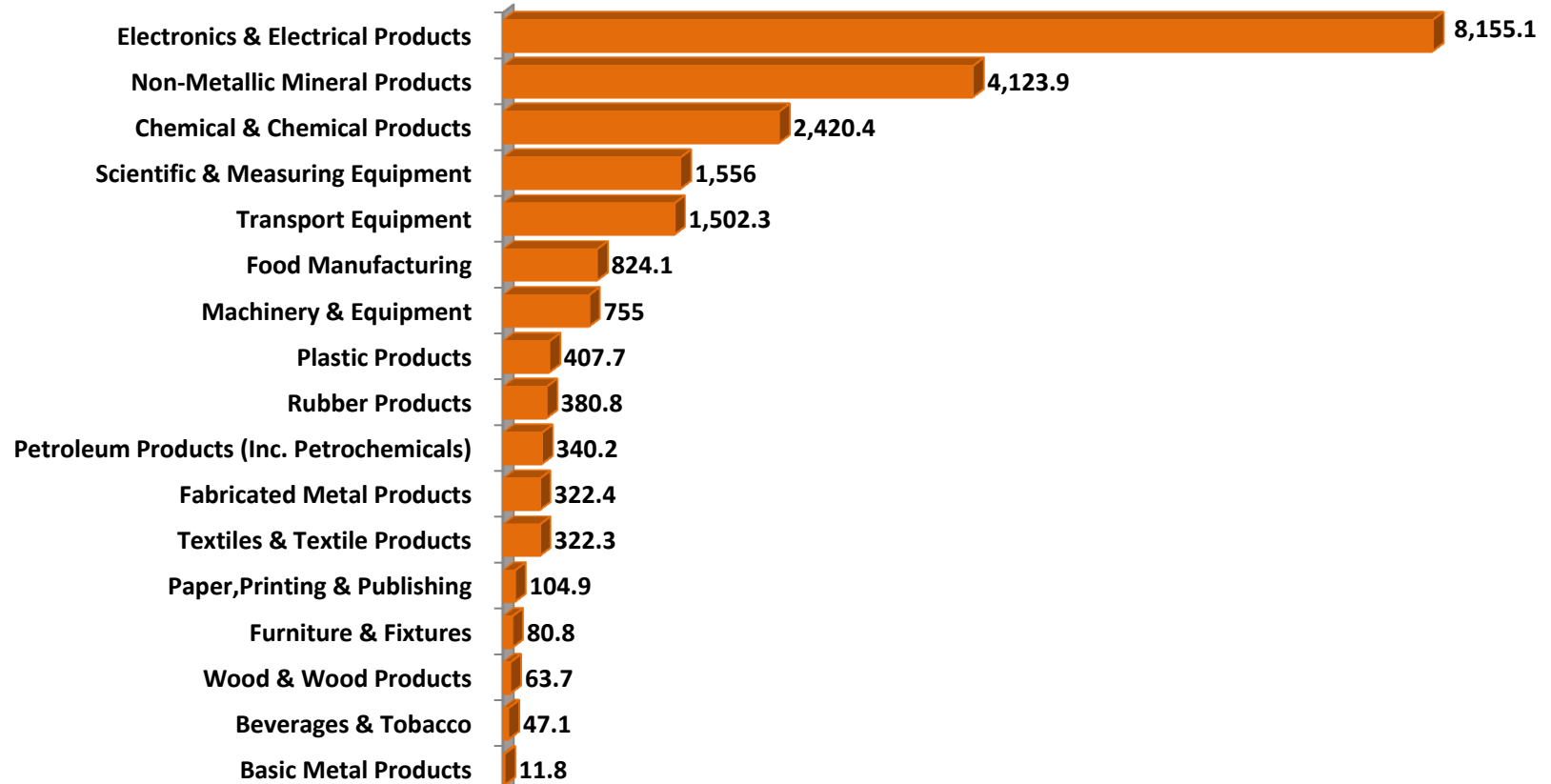
Industry	Project	Employment	RM (billion)
Manufacturing	687	56,421	63.7
Services	4,731	82,172	121.0
Primary	48	930	12.4

Approved Projects By Major Countries in 2017 (Manufacturing)

RM Million



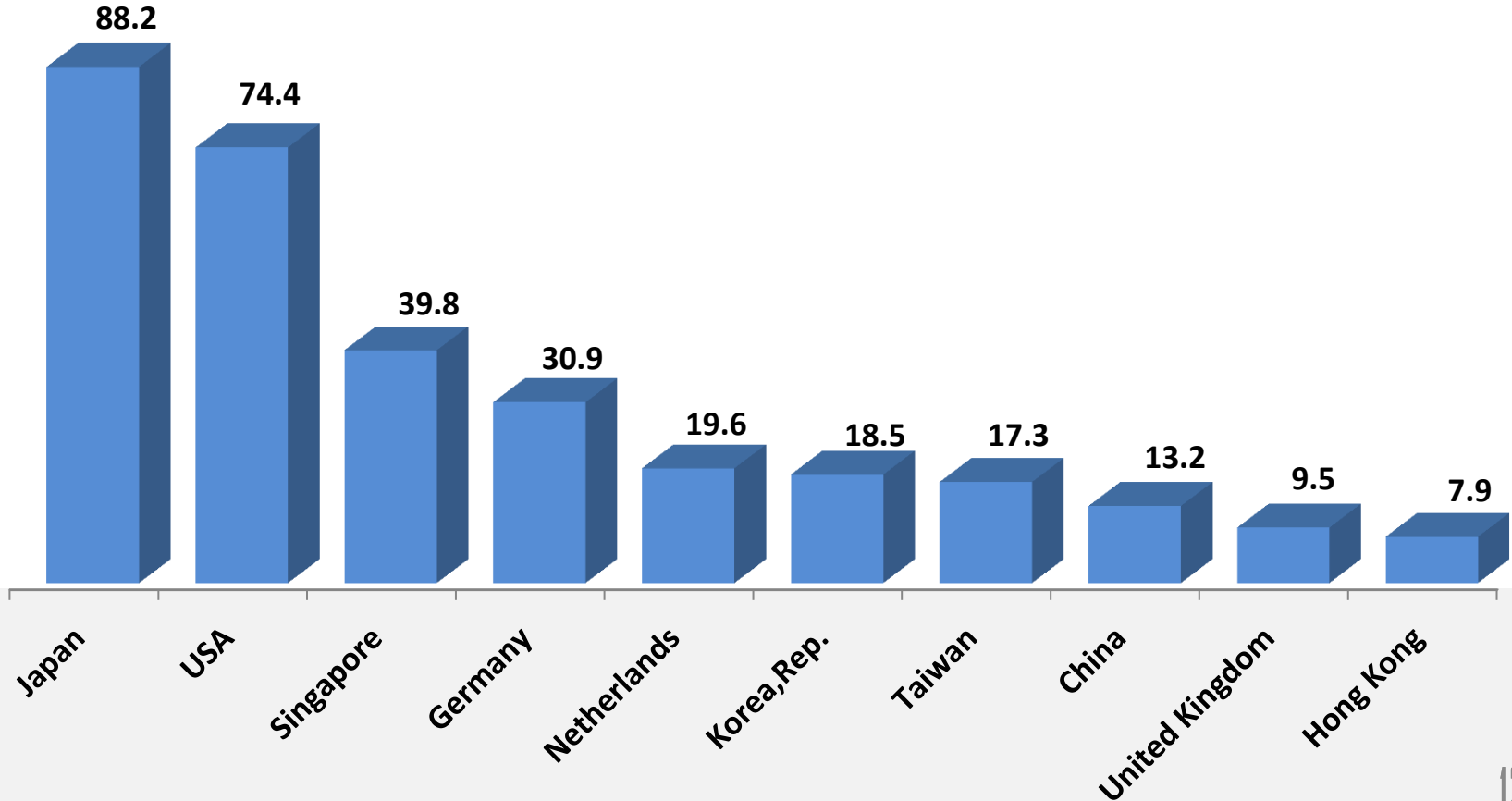
Approved Projects by Major Industries in 2017 (Manufacturing)



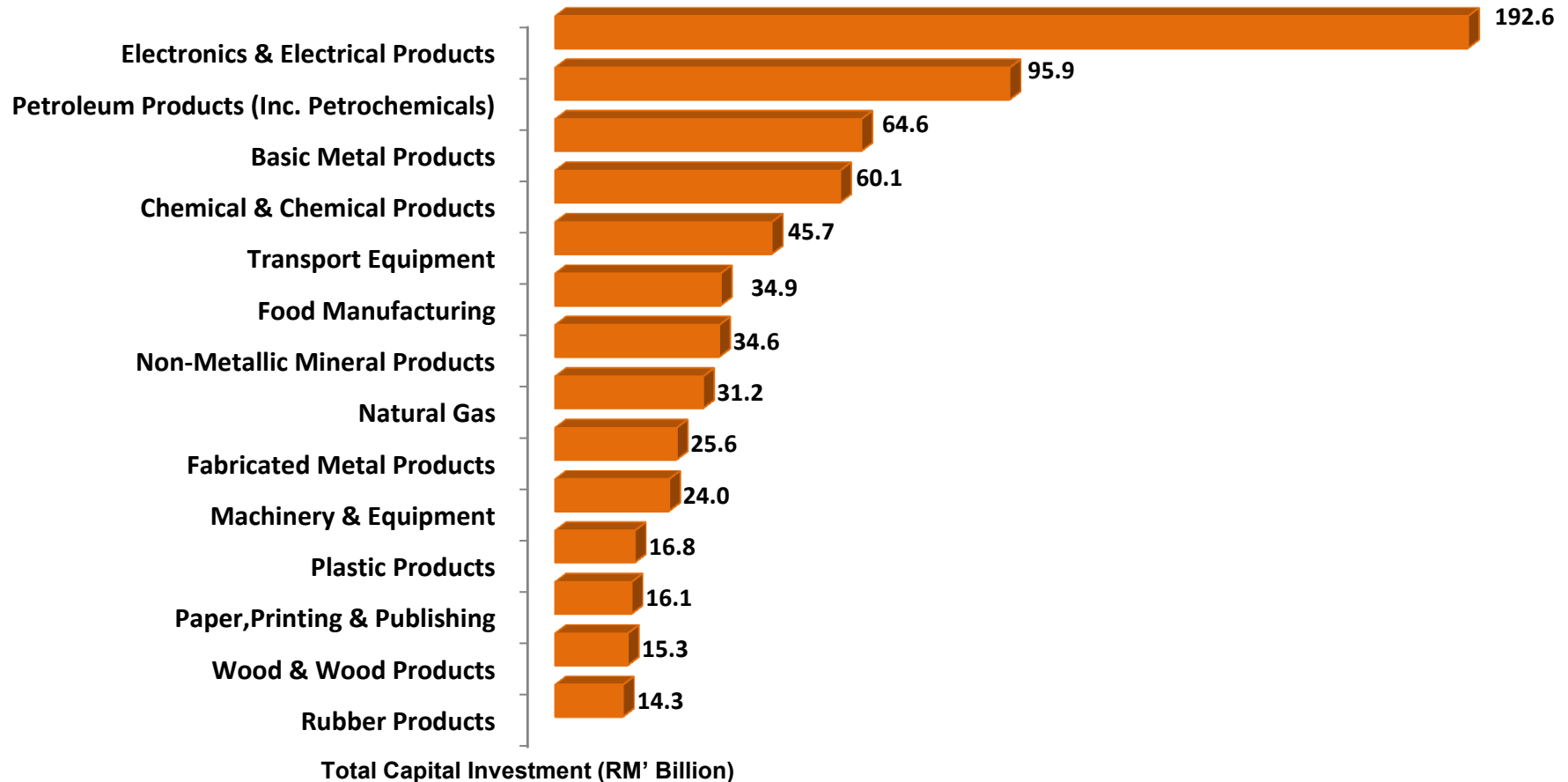
Total Capital Investment (RM' Million)

Implemented Projects By Major Countries, as at 2017 (Manufacturing) | 1980 - 2017

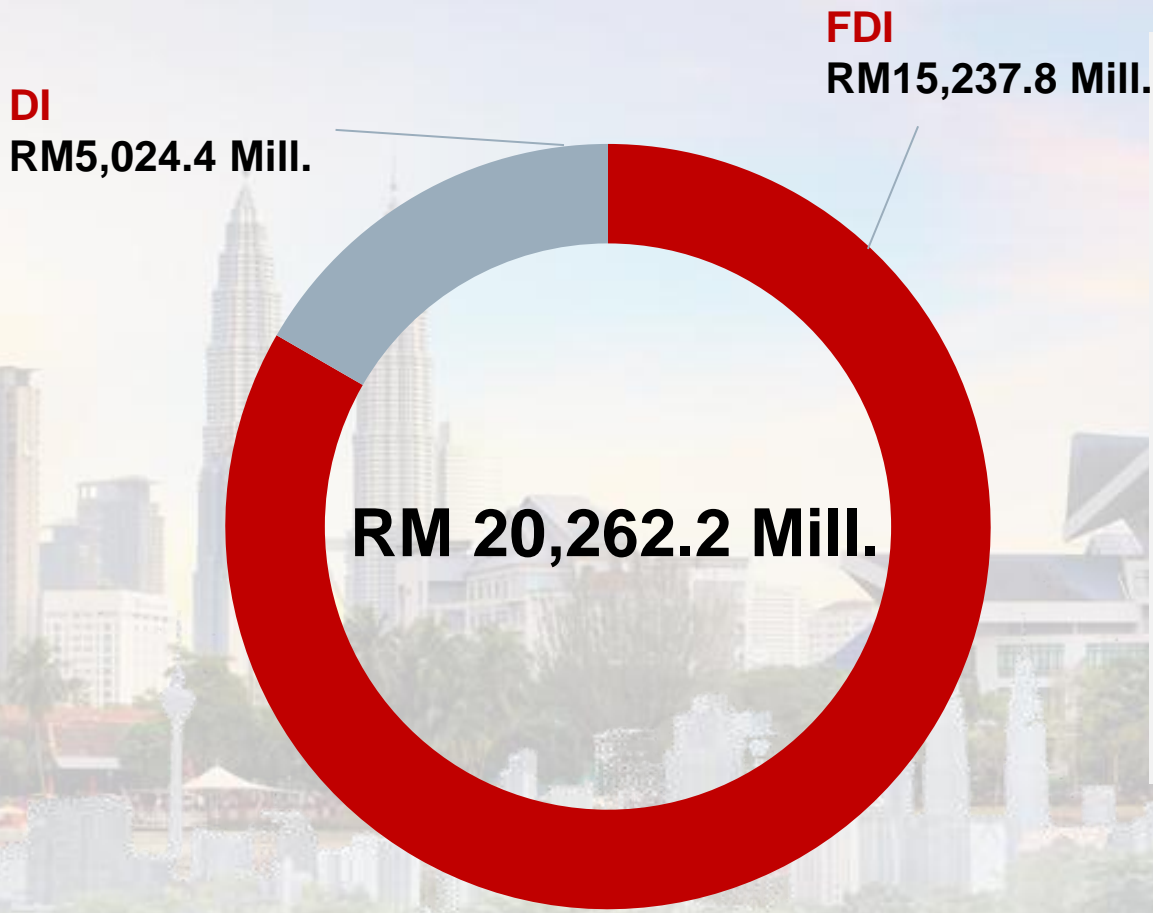
RM Billion



Implemented Projects by Major Industries as at 2017 (Manufacturing) | 1980 - 2017



Approved Investments for Manufacturing Sector in Jan – June 2018



287 projects



25,165
Job opportunities



INVESTMENT POLICIES & INCENTIVES

MANUFACTURING LICENCE



A company with shareholders' funds of **RM2.5 million** and above or **employing 75** or more full-time paid employees to obtain a Manufacturing Licence.

The image shows a sample of a MIDA application form. At the top, it has the MIDA logo and the text 'MIDA 1961-2010' and 'www.mida.gov.my'. The title of the form is 'APPLICATION FOR INCENTIVE AND/OR EXPATRIATE POSTS FOR A SMALL-SCALE MANUFACTURING COMPANY'. Below the title, there are checkboxes for '(i) Type of application (Please tick (x) where relevant):' with options for '(a) Incentive', '(b) Pioneer Status or', '(c) Investment Tax Allowance and/or', and '(d) Expatriate Posts'. There is also a table with four columns: 'Proposed production/activities', 'HS tariff code', 'Proposed factory location', and 'Excluded/Exempted Approved By Other Government Agencies'. At the bottom, there is a note: 'Note: Applicant provide a copy of approval letter from the relevant agency.'

- **"Shareholders' funds"** - a company's paid-up capital, reserves, balance of share premium account and balance of profit and loss appropriation account
- **"Full-time paid employees"** - persons working in the establishment for at least six hours a day and at least 20 days a month for 12 months during the year and who receive a salary.

Forms can be downloaded from:

<http://www.mida.gov.my/home/forms-&-guidelines-for-manufacturing-sector/posts/>

Major Incentives:

Pioneer Status

Income tax exemption ranging from 70% or 100% for a period of 5 or 10 years

Investment Tax Allowance

60% or 100% on qualifying capital expenditure for 5 years

Reinvestment Allowance

60% on qualifying capital expenditure for 15 consecutive years

Import Duty Exemption

For raw materials / components and machinery and equipment

Investment Policies :

OWNERSHIP

Manufacturing & selected services sectors can be wholly foreign-owned

100%

EXPATRIATE POSTS

Liberal policy, based on merit of each case



Promoted Activities

Investment Opportunities in the Services Sector



Logistics



ICT Services



Hotel & Tourism



Education & training



Regional
Establishment



Environmental
Management

**45 Sub
Sectors**
liberalised
since 2009



Offshore &
Outsourcing
Activities



Medical Tourism

Investment Opportunities in the Manufacturing Sector

Resourced-based industries

Oil & Gas, Food & Agro based and Value-added products from natural halal resources.

Machinery & equipment, components & parts and Moulds & dies

Industries manufacturing intermediate goods

High technology, capital intensive & knowledge driven industries

Alternative Energy Sources, Biotechnology, Advanced Materials, Advanced Electronics, Optics and Photonics, Petrochemicals, Pharmaceuticals, Medical Devices, ICT & Aerospace



DOMESTIC DIRECT INVESTMENT INITIATIVES

Domestic Direct Investment (DDI) Initiatives

Domestic Investment Strategic Fund (DISF)

- **Matching grants (1:1) on reimbursable basic** to cater for expenditures incurred for the following activities:
 - i. Training
 - ii. R&D Activities
 - iii. Licensing / purchase of new or high technology
 - iv. International standards/ certificates
 - v. Modernization & upgrading

Incentives for Small Scale Companies

- Company incorporated in Malaysia with **shareholders' fund not exceeding RM2.5 million** and having at least **60% to 100% Malaysian equity**.
- PS with income tax exemption 100% of statutory income for 5 years; or
- ITA of 60% qualifying capital expenditure incurred within a period of 5 years.

Incentives for Companies in Production (Desirous Issue)

- Malaysian-owned manufacturing and services that are already in production which do not comply with the 'desirous' clause under the PIA 1986 are **now eligible to be considered for tax incentives**.



LATEST PROMOTED ACTIVITIES



Principal Hub



Automation Capital Allowance



Less Developed Area



Incentive for Waste Eco Park



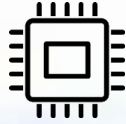
Independent Conformity Assessment Bodies (ICAB)

Priority Sectors

3 CATALYTIC SUBSECTORS



Chemicals



Electrical and
Electronics



Machinery and
Equipment

2 HIGH GROWTH SECTORS

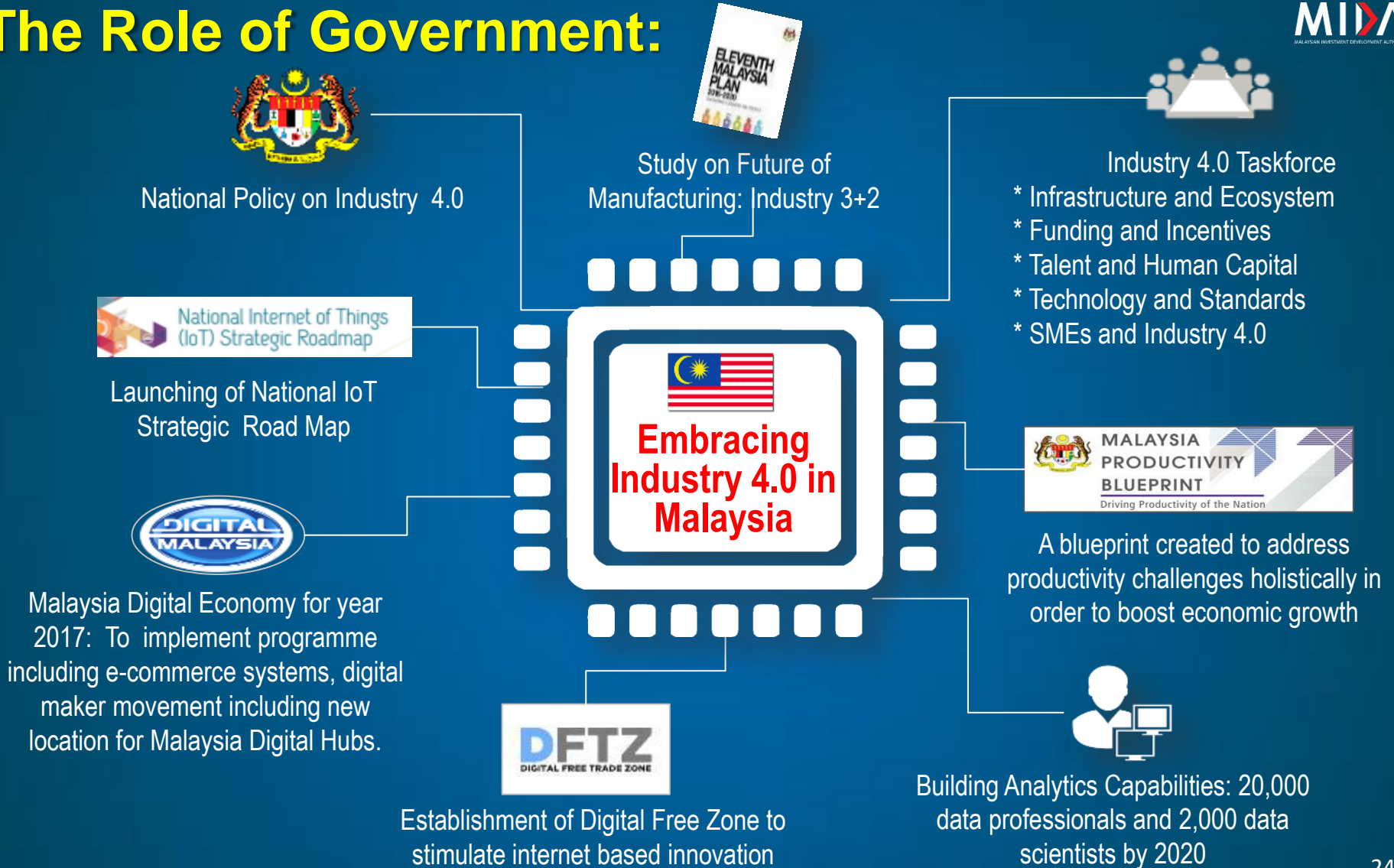


Medical
devices



Aerospace

The Role of Government:



Initiatives for Domestic Companies





**INVESTMENT
COORDINATION
PLATFORM
INITIATIVE**

Investment Coordination Platform Initiative



- MIDA has initiated a new initiative to construct an investment coordination platform for Malaysian Companies in particular, to explore, connect and forge synergistic business opportunities.
- This platform will act as one of the enablers in supporting MIDA's role in promoting investment and as a new strategy, moving forward.
- This platform will serve to facilitate the following corporate exercises:
 - ✓ Initial Public Offering (IPO)
 - ✓ Mergers & Acquisitions (M&A)
 - ✓ Joint Ventures (JV)
 - ✓ Partnership
 - ✓ Private Equity (PE) / Venture Capital (VC)
 - ✓ Real Estate Investment Trusts (REITs)
 - ✓ Divestments

For any interested parties, please complete the following survey link at MIDA Website:





➤ <https://www.surveymonkey.com/r/InvestmentPlatform>


[ABOUT MIDA](#) | [INVEST IN MALAYSIA](#) | [TESTIMONIAL](#) | [WHY MALAYSIA](#) | [FORMS](#) | [MEDIA ROOM](#)

UPDATE

ment of Income Tax (Accelerated Capital Allowance) (Automation Equipment) Rules 2017 -

• Effective 1st March 2017, a fee of RM3

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INVESTMENT COORDINATION PLATFORM SURVEY

This survey serves to gauge the level of your company's interest in executing corporate exercises as a means to raise funds to propel expansionary growth aspirations.

Click here >> <https://www.surveymonkey.com/r/InvestmentPlatform>

GETTING STARTED

Provide information on policies, incentives and facilities to start an operation either in the Manufacturing or Services Sector in Malaysia.

LEARN MORE

RESOURCES

E-SERVICES

INDUSTRIES

FACTS & FIGURES

CONTACT US

Thank you



MALAYSIA... Your Profit Centre in Asia

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Malaysia is a vibrant economy. Talk to MIDA and discover how Malaysia can be your Profit Centre in Asia
For more information, please visit www.mida.gov.my or email to investmalaysia@mida.gov.my