

**SPEECH FOR MR. ZABIDI MAHBAR  
DEPUTY CHIEF EXECUTIVE OFFICER II  
PENANG DOMESTIC INVESTMENT SEMINAR  
16 JULY 2019, OLIVE TREE HOTEL, PENANG**

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**Acknowledgement**

YB Dato' Abdul Halim Hussain  
EXCO of the Domestic and International Trade and Industry, Consumer  
Affairs and Entrepreneurship Development

Members of the Media

Distinguished Guests,

Ladies and gentlemen,

1. It is a great pleasure for me to welcome all of you to the Penang Domestic Investment Seminar. It is very encouraging to see many participants with a wide representation of the industry's stakeholders today. Early this year, MIDA organised the MIDA Invest Series: Unfolding Penang States' Business Potential successfully in MIDA HQ, Kuala Lumpur and received an overwhelming response from the business community. We are indeed delighted that the momentum continues with the attendance of more than 300 participants in this hall, today.
2. We are honoured to have YB Dato' Abdul Halim Hussain, EXCO of Domestic and International Trade and Industry, Consumer Affairs and Entrepreneurship Development, to grace this seminar. Special thanks to all our panel speakers from INVEST PENANG, MATRADE, MIDF, EXIM Bank, MPC, Standards Malaysia, SIRIM, Kontron Asia Pacific Design, Aemulus Corporation and my colleagues from MIDA, who are here to share their insights on various topics.
3. Today's seminar is part of MIDA's on-going engagement to update industry players, especially in the Northern Region on the latest policies and facilities that are available. With the lineup of presentations as well as panel sessions throughout the day, we

hope that all participants will get the full benefit from today's session to grow your business.

Ladies and Gentlemen,

4. Penang is one of the country's choice locations for domestic and foreign investments. Since the beginning of the eight pioneer foreign companies, also known as the '8 Samurais' here in the 1970s, the state continues to have a strong presence of MNCs and Large Local Corporations (LLCs). This includes WD Media (Malaysia), Intel Technology, Jabil Circuits, B Braun Medical Industries, Osram Opto Semiconductor, HP Malaysia, Vitrox Technologies, Inari Group, Globetronics, and DSEM System Technology.
5. Penang has consistently been ranked among the top investment destinations in the country over the last five decades. From 1980 to 2018<sup>1</sup>, MIDA has approved a total of 4,084 manufacturing projects with investments worth RM129.1 billion for Penang. Of these, a commendable 3,072 projects with investments valuing RM98.8 billion has been implemented in the state. These projects have created more than 380,000 job opportunities mainly in electrical & electronics, machinery & equipment, and fabricated metal products industries.
6. Approved foreign investments in the manufacturing sector totalled RM90.4 billion, accounting for 70 per cent of total investments approved for the State, while domestic investments are the remaining 30 per cent or RM38.7 billion. Last year alone, a total of 108 approved manufacturing projects worth RM5.8 billion will be located in Penang.
7. In the first quarter of this year, Penang recorded RM8.8 billion of total approved investment in the manufacturing sector, 780% higher compared with RM1.0 billion, approved in the same period last year. Of this, RM8.5 billion were from foreign investments, representing 42.1 per cent of Malaysia's total approved FDI in the

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<sup>1</sup> <http://www.mida.gov.my/home/8785/news/penang-attracts-rm129.1-billion-worth-of-approved-investments-in-the-manufacturing-sector-as-at-2018-/>

manufacturing sector for the period of January to March 2019. Notable approved manufacturing projects in Penang include projects from Micron Technology and Jabil Circuit.

8. To encourage more investments, MIDA continues to undertake various activities and programmes in paving the way for further growth, particularly among the domestic players. In 2018, MIDA has set up a dedicated team called the Investment Coordination Platform (ICP) to facilitate companies to expand their businesses and investment portfolio. This unit works closely with equity and corporate advisory firms as well as local regulators and technology providers in assisting companies in conducting business-to-business matching, capital raising exercise through debt & equity, M&A, divestment and initial public listing or IPO.
9. For those who may not be aware, MIDA has established an interactive web portal namely the i-incentive portal that provides comprehensive information on all incentives offered by various Ministries and Agencies concerning the manufacturing, services and primary sectors. The portal is very dynamic in nature as it is responsive to announcements of new incentives and assistance schemes offered by the Government, thus allowing the business community to obtain real-time information on the latest available facilities. It currently features 124 incentives schemes that are managed by 12 ministries and 28 government agencies. About 55% of these incentives cater to the services sectors, followed by manufacturing at 33% and the primary sector at 12% as at 30<sup>th</sup> June 2019. These incentives include tax exemptions, grants, soft loans and other forms of incentives such as equity financing, regional establishment status and training and facilitation programmes. The accessibility of information on incentives is now at your fingertips. Please use this facility to assist you in making well-informed investment decisions.
10. MIDA has also developed a gateway, namely i-Services Portal as an avenue to market the services and solutions of the local service providers, both locally and abroad. I would like to strongly encourage everybody here today to register your business on the

portal to increase your visibility and be more accessible to your potential customers.

Ladies and Gentlemen,

11. Penang has been attracting investment for the past five decades, especially in FDIs and continue the momentum as indicated in the 1<sup>st</sup> quarter of 2019 investment performance. There are many exciting developments in Penang that bodes well for business and job opportunities.
12. Moving forward, MIDA will continue to undertake engagements such as today to ensure that Malaysia achieves its goals and aspirations, creating wealth that translates to tangible benefits felt by all Malaysians. Together with MITI and its agencies, we will continue to work closely with the state government and authorities to create a more conducive business environment for businesses to grow.
13. Before I end, I would like to once again thank everybody here for taking the time to participate in this seminar. On that note, I wish all of you a very productive day ahead.

Thank you.