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# DOMESTIC INVESTMENT & SUPPLY CHAIN COORDINATION DIVISION

### **Functions**

- To plan and coordinate domestic investment outreach programmes covering general and specific industry seminars, round table meetings and dialogues with industry associations, with the objective to update existing and potential investors on the latest policies and facilities that have been put in place by the Government to boost private domestic investments;
- To plan and coordinate engagement with local companies with potential to invest or expand in high value added, high technology and innovative based activities; and
- To highlight potential business opportunities to companies through webbased business matching facility for both domestic and foreign company



## PROGRAMME ORGANISED, 2017 – JUNE 2019

**SME Investment Desk Programme** (Small-scale Seminars, Pocket Talks, Roundtable Meetings) **Specific Industry** Seminars, Workshops, **Business Clinics MIDA Invest Series: Unfolding** States' Business Potential-**Supply Chain Conference/ Industry Linkage Programmes** (Seminar & Business Matching)

Meeting & Dialogue
Session with Chamber
Of Commerce &
industry association
Investment

Investment
Coordination
Platform
engagement
(Meetings &
Visits)

Briefing to Investment Promotion Agencies of Developing Countries

Domestic Investment Seminar Turun Padang

Industrial Park & Investment Facilitation Forum

BURSA Malaysia, programme to encourage Malaysian companies to expand its business for listing

Meeting with Local Large Corporation (LLCs)



No.	Programme	Date
1.	Domestic Investment Seminar	
	- Selangor	22 August
	- Terengganu	24 September
	- Johor	October
	- Sabah	November
2.	Invest Series	
	- Selangor	7 August
	- Negeri Sembilan	September
	- Johor	October
	- Perak	September
	- Melaka	November
3.	12 Supply Chain Programmes	Throughout the year
4.	<b>Equity Investment for Business Growth</b>	8 August





## **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

# Domestic Investment Strategic Fund (DISF)

Matching grant for Malaysian-owned company in targeted industries for allowable expenditures

# Small Scale Manufacturing Company

Pioneer Status or Investment Tax Allowance

# Automation Capital Allowance (ACA)

200% on the first RM4
million or
RM2 million ACA
expenditure



# INCENTIVE FOR SMALL SCALE MANUFACTURING COMPANIES

- Aquaculture
- 2. Apiculture

#### II. PROCESSING OF AGRICULTURAL PRODUCE

- 2. Tea
- 3. Fruits Vegetables
- 5. Herbs or spices
- 6. Cocoa and cocoa products 7. Coconut products except copra and crude coconut oll
- 8. Starch and starch products
- 9. Cereal products 10.Sugar and confectionary products
- 11.Plant extracts
- 12. Apiculture products
- 13. Animal feed ingredients 14. Agricultural waste and by-products

#### III. FORESTRY PRODUCTS

- Rattan products (excluding pole, peel : X.
- 2. Bamboo products
- Other forestry products

#### MANUFACTURE OF RUBBER PRODUCTS

- Moulded rubber products
- 2. Extruded rubber products General rubber goods

#### MANUFACTURE OF OIL PALM PRODUCTS AND THEIR DERIVATIVES

1. Processed products from palm oil 2. Processed products from palm biomass/ waste/by-products

#### VI. MANUFACTURE OF CHEMICALS AND PHARMACEUTICALS

- Pigment preparation, dispersions and specialty coatings
- 2. Desiccant
- Bio-resin (biopolymer)
- 4. Inkjet inks

#### AGRICULTURAL ACTIVITIES : VII. MANUFACTURE OF WOOD AND WOOD PRODUCTS

- 1. Decorative panel boards (excluding plain plywood)
- 2. Timber mouldings
- 3. Builders' carpentry and joinery 4. Products derived from utilisation of wood waste (e.g. activated charcoal, wooden briquettes, wood wool)
- 5. Wooden household and office

#### VIII. MANUFACTURE OF PAPER AND PAPERBOARD PRODUCTS

- 1. Moulded paper products
- IX. MANUFACTURE OF TEXTILES AND TEXTILE PRODUCTS

  - Batik or songket or pua 2. Accessories for the textile industry
- MANUFACTURE OF CLAY-BASED AND SAND-BASED PRODUCTS AND OTHER NON-METALLIC MINERAL PRODUCTS
- 1. Artware, ornaments and articles of ceramic or glass
- Abrasive products for grinding, polishing and sharpening
- XI. MANUFACTURE OF IRON AND STEEL PRODUCTS, NON-FERROUS METALS AND THEIR PRODUCTS
- 1. Wire and wire products Fabricated products
- XII. SUPPORTING PRODUCTS AND SERVICES
  - 1. Metal Stamping 2. Industrial seals or seal materials

#### XIII. MANUFACTURE OF TRANSPORT COMPONENTS PARTS AND ACCESSORIES

1. Transport components, parts and accessories

#### XIV. MANUFACTURE OF PARTS AND COMPONENTS FOR MACHINERY AND EQUIPMENT

- 1. Parts and components for machinery and equipment
- XV. MANUFACTURE OF ELECTRICAL AND ELECTRONIC PRODUCTS, COMPONENTS AND PARTS THEREOF
- 1. Consumer electrical products, parts and components
- 2. Consumer electronic products, parts
- and components 3. Industrial electrical products, parts
- and components Industrial electronic products, parts and components

#### XVI. MANUFACTURE OF **FURNITURE, PARTS AND** COMPONENTS

1. Furniture, parts and components

#### XVII.MANUFACTURE OF GAMES AND ACCESSORIES

1. Games and accessories

#### XVIII.MANUFACTURE OF SOUVENIRS

1. Souvenirs, giftwares and decorative

#### XIV. MANUFACTURE OF PLASTIC PRODUCTS

- Decorative panels and ornaments
- 2. Epoxy encapsulation moulding compound

- Company incorporated 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.



598 projects



RM2 billion investments



**15,172** job opportunities

Source: MIDA, 2009 - 2018



## <u>Introduction</u>

#### Investment Coordination Platform



- MIDA's latest initiative in providing assistance to local companies or SMEs to bridge their financial and technology gaps through strategic collaborations and joint ventures
- Main objective is to encourage more domestic direct investments.
- The areas of assistance provided are:
  - ✓ Business match-making
  - ✓ Capital Raising (Debt & Equity)
  - ✓ Initial Public Offering (IPO)
  - ✓ M&A, Divestments & Takeover



### Partners

Investment Coordination Platform







**NAVIS** 

GOVERNMENT
LINKED
CORPORATION







**OPE** 



**ACADEMIA** 





TECHNOLOGY PROVIDERS



**PARTNERS** 







GOVT / STATE AGENCIES







# Overall Engagement

**Investment Coordination Platform** 



Manufacturing Sectors

92

**Services Sectors** 

28

Others

40

Total

160



# Highlights of On-Going Facilitations

Investment Coordination Platform



Development of COE and TVET programs for new technology in bio-plastic industry through JV between foreign tech provider and local entities

Commercialization of biomass waste to energy between industrial research institution and company in renewable energy sector.

Technology buyout by a large corporation from an R&D company who specialized in probiotic culturing for poultry

Strategic collaboration between foreign healthcare company with local park management to develop a medical clustered area

Strategic collaboration between local plantation company and industrial research institution and technology provider.

Collaboration between mini hydro company with multi national company coming in as strategic investor



### Success Stories

Investment Coordination Platform



Business expansion for a local food company through equity funding.

Technology advancement for a full-fledged solar company through equity funding.

Joint venture for production of high specialty gloves between two local glove manufacturing companies.

Business expansion of a large pharmaceutical company through acquisition of existing facility of another entity

Development of new industrial and commercial zones in Peninsular Malaysia involving multiple stakeholders.

Diversification of a large local corporation in O&G services sector into renewable energy through JV with local players

Listing on ACE market by a local steel company.

Domestic & international retail markets penetration for local products through chains of multinational hypermarket.

Commercialisation of bio-based cosmetic products between research institution and local SME company.



# Thank you







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