



PROJECT ACCELERATION & COORDINATION UNIT

## **e-Biz Clinic**

# **‘Starting Your Project With PACU@MIDA’**

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Director

Post-Investment & Infrastructure Support Division, MIDA

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**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**



***Promotion***



***Planning***



***Evaluation***



***Monitoring***

# PACU

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**PACU provides end-to-end facilitation to all projects approved by National Committee of Investment (NCI). PACU ensures acceleration from approvals of the projects to implementation. Adoption of digitalise system will provide real-time tracking.**

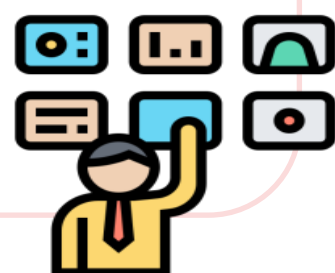
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Menawarkan fasilitasi menyeluruh terhadap projek-projek yang telah diluluskan oleh Jawatankuasa Nasional Mengenai Pelaburan (NCI). Memastikan kelancaran projek-projek yang telah diluluskan untuk dilaksanakan. Menerusi penggunaan sistem digital, PACU menawarkan pemantauan projek secara 'real-time'.

**Assist and accelerate** the application submitted and track the status of approval.  
Application via e-ML 2.0 will be approved within 2 days (non sensitive industries).



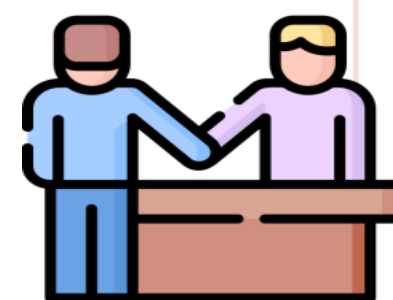
**Monitor** the progress of project Implementation (within 12 months from approval) through the Implementation Tracking & Monitoring System (ITMS)



# PACU

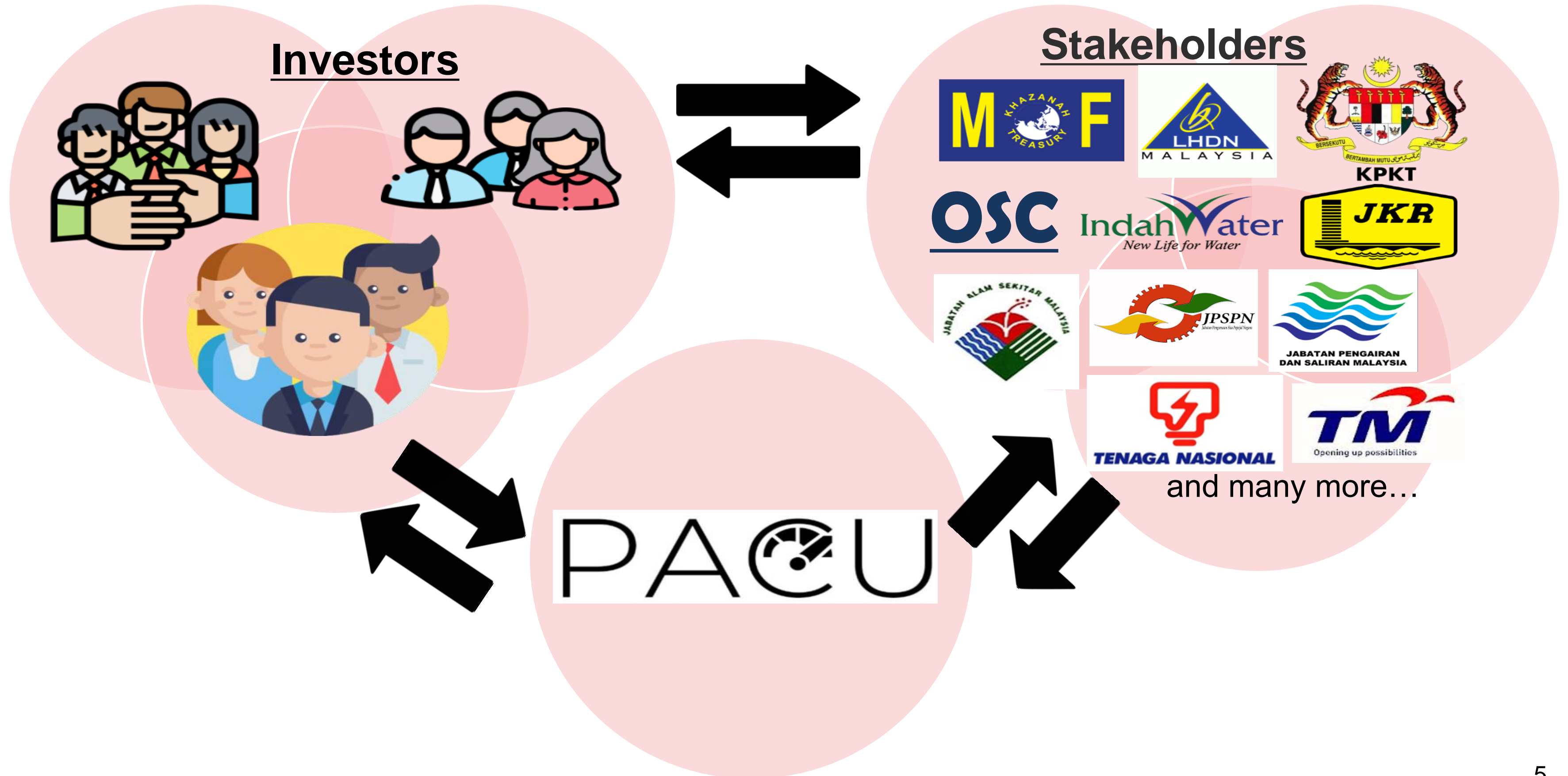


**Identify and facilitate** issues and challenges faced by companies in implementing their projects and proposed appropriate solutions.

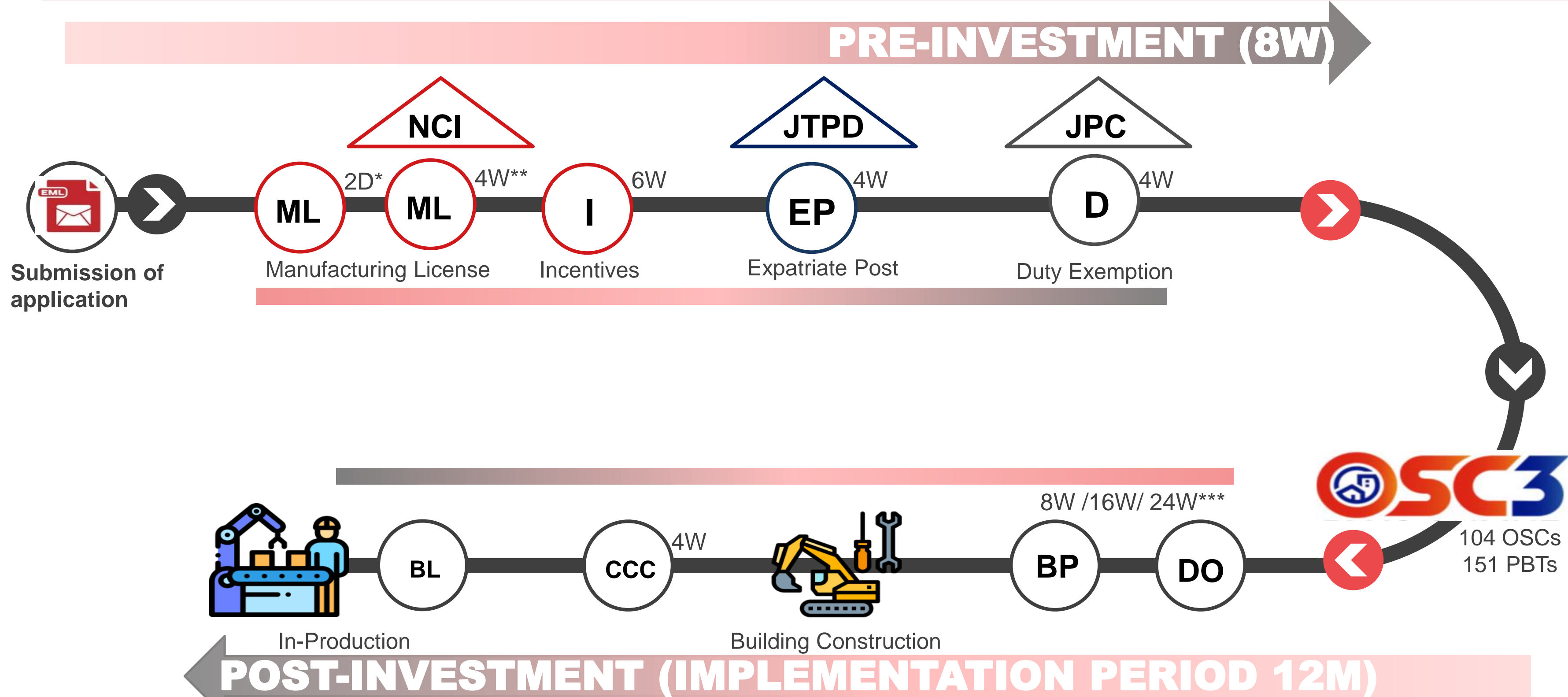


**Collaborate** with the Federal and State Governments, Service Provider, Investments Promotions Agencies (IPAs), technical agencies and other related departments

# PACU ECOSYSTEM



# CONCEPTUAL FLOW : APPROVED TO IMPLEMENTED PROJECTS



(\*) – Non Sensitive Industries

(\*\*) – Sensitive Industries

(\*\*\*) – For different level of complexity Simple/Medium/High

# e-ML 2.0 PROCESS (Non-Sensitive Industries)

COMPANY

MIDA

MITI

**Online Form and Required Documents Submission By Company Via e-ML 2.0**

**START**

**Screening of Application Form by MIDA**

**Company To Amend Their Application**

Resubmit

Return

Complete Info

**Registration of ML Application Form in the system.**

**Prepare and submit** required documents (internal use only) to MITI.CC to Secretariat and Industry Division

Licensing Officer (MITI) to digitally **sign Interim Letter and Lampiran A**

**Decision conveyed** to applicant by MITI (Interim letter & Lampiran A)  
*Cc Division and Secretariat*

**NCI Committee endorse the M L Approval**

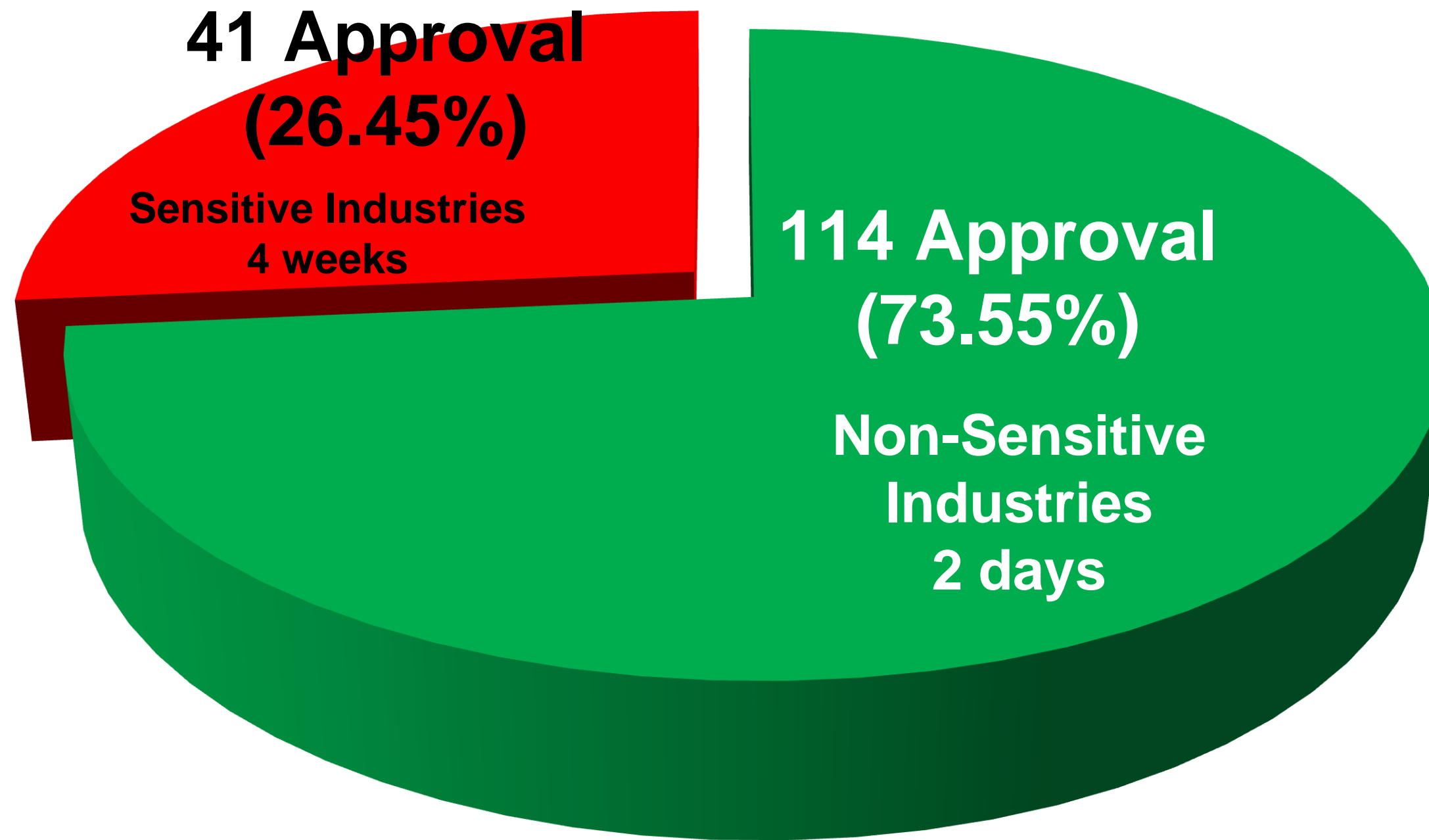
**2 days**

**1.5 Days**

**0.5 Days**

Digitally Submitted

# e-ML 2.0



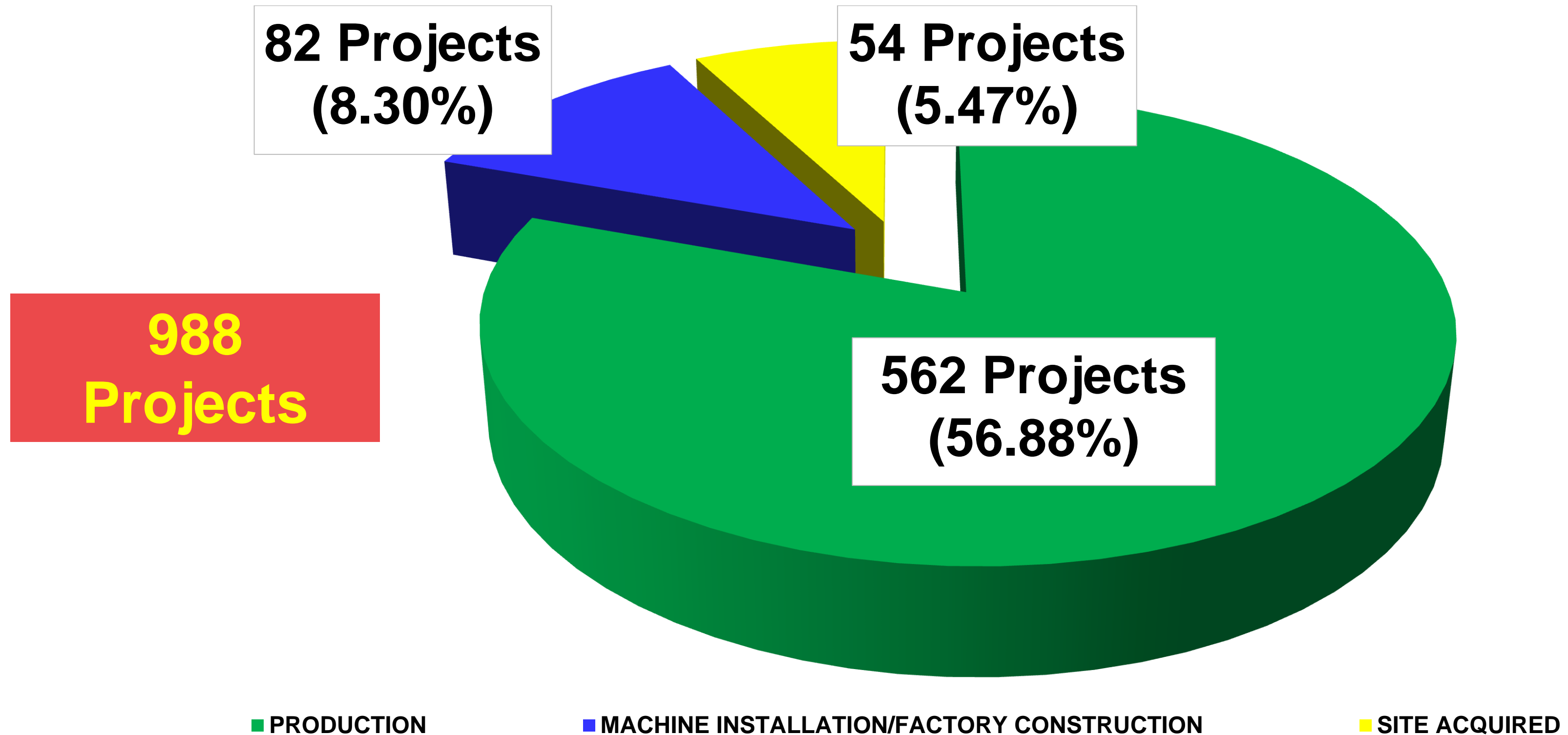
## Sensitive Industries :

1. Sugar Refining
2. Tobacco Processing and Cigarette
3. Liquor and Alcoholic Beverages
4. Hazardous and Toxic Waste Collection, Storage, Treatment and Disposal
5. Motor Vehicle Industry
6. Defense and Security (e.g. drones, rocket for military application)
7. Pineapple
8. Palm Oil Refining
9. Explosives
10. Weapons and Ammunitions
11. Clinker & Cement Industry
12. Fabric and Apparel Batik
13. Gaming
14. Waste Recycling Activities
15. Project to be located at Sarawak
16. Activity involving Radioactive Materials
17. Petroleum Refining
18. Petroleum Products including Petrochemicals
19. Petrochemical
20. Solar
21. Pharmaceutical
22. Medical Device
23. Pharmaceutical and Medical Devices (for raw materials which contain radioactive)
24. Activities related to Mineral & Geoscience
25. Iron and Steel Industry

*Summary applications approved via e-ML from 8/6/2020 – 18/9/2020.  
Total application received **181 application***

# APPROVED VS IMPLEMENTED (PROJECTS APPROVED IN 2019)

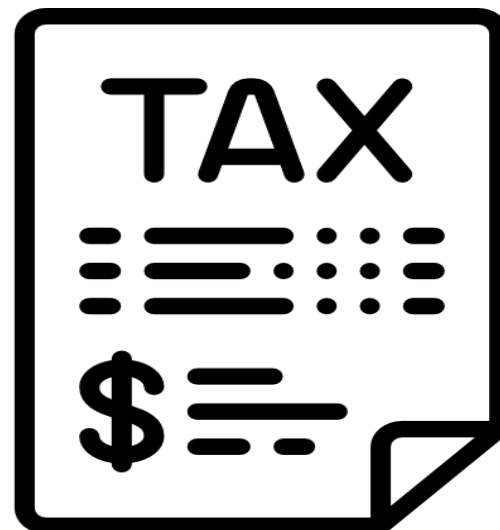
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# INCENTIVES

**6 weeks**

**Pioneer Status (PS) with income tax exemption of 70% or 100% of statutory income for 5 or 10 years. Unabsorbed capital allowances incurred during the pioneer period can be carried forward and deducted from the post pioneer income of the company; or**



**Investment Tax Allowance (ITA) of 60% or 100% of qualifying capital expenditure incurred within a period of 5 years. The allowance can be offset against 70% or 100% of statutory income in the year of assessment. Unutilised allowances can be carried forward to subsequent years until fully utilised.\***

**\*Note**

***For the purpose of ITA, qualifying capital expenditure means capital expenditure incurred on factory or any plant and machinery used in Malaysia in connection with and for the purposes of the promoted activity or promoted product.***



# EXPATRIATE POST

**4 weeks**

Expatriates are foreigners who are qualified to fulfill the following positions:

## Key Post

High level managerial posts in foreign-owned private companies and firms operating in Malaysia. Key posts are posts essential for companies to safeguard their interest and investment. The expatriates are responsible in determining the company's policies in achieving its goal and objectives.



## Term Post

### Executive Post

Intermediate level of managerial and professional posts. The post requires professional qualifications, practical experience, skills and expertise related to the respective jobs. The expatriate are responsible in implementing the company's policies and supervisions of staff.

### Non-Executive Post


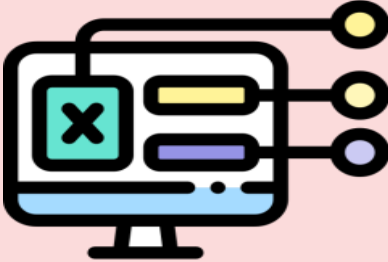
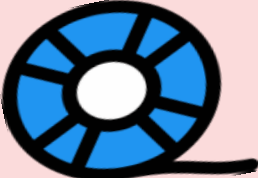


Posts for the performance of technical jobs that require specific technical or practical skills and experience.

*Effective from 28/9/2020 all application for Employment Pass for Expatriate Post need to submit via [esd.imi.gov.my](https://esd.imi.gov.my)*



# DUTY EXEMPTION

4 weeks

Scope of Exemption	Eligible Applicant
<p>Import duty and/or sales tax exemption on machinery / equipment / spare parts excluding consumables</p> <p>Exemption provided under the Customs Duties (Exemption) Order 2017 and under Item 55 Schedule A Sales Tax (Persons Exempted From Payment Of Tax) Order 2018</p>	Manufacturer in Principal Customs Area
Import duty exemption on machinery and equipment excluding spare parts and consumables	Company engaged in agriculture activity
Import duty exemption on machinery, equipment, samples, materials and components excluding spare parts and consumables	Company engaged in selected services sector
<p>Import duty exemption on raw materials and components</p> <div></div>	Manufacturer in Principal Customs Area



# DELAYS IN APPROVAL

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- 1** Products/activities are not currently listed as promoted products/activities under the Promotion of Investment Act (PIA) 1986
- 2** Products/activities without specific exemption order such as oil and gas industry, green technology and testing labs.
- 3** The request for customised/pre-package incentives would require a comprehensive justification to support the companies' wish list.
- 4** Require views from Ministries / Agencies / State Governments on sensitive products/ activities (e.g. recycling of waste, tobacco, liquor and steel) related to environment, health and suitability of location
- 5** Incomplete information received from applicants.

# DELAYS IN THE IMPLEMENTATION OF PROJECTS

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**1** Delay in getting approval from local authorities and government agencies for *Building Plan (BP)*, *Development Order (DO)*, Certificate of Completion and Compliance (CCC), Business License, Environmental Impact Assessment (EIA), DOSH, Bomba and land conversion.

**2** Infrastructure and utilities :

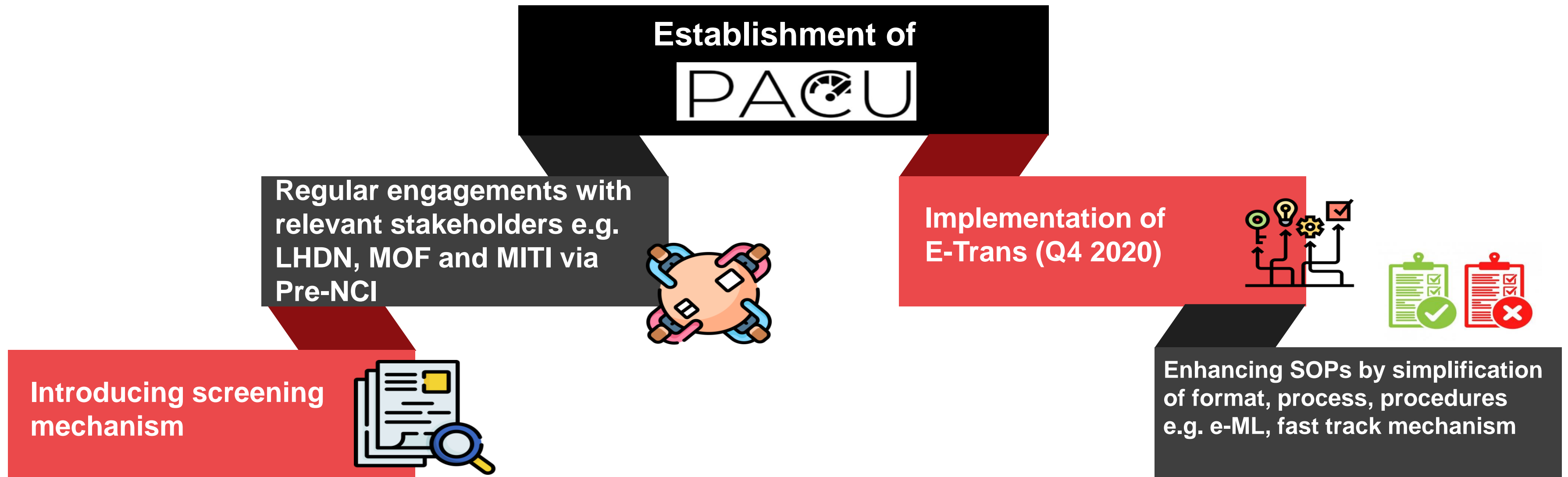
- Poor access road and connectivity, Poor power quality /high connection fees, Lack of internet connectivity in certain areas, Insufficient supply of treated water / inadequate water supply in certain areas.

**3** Lengthy procedures for Expatriate Services Division (ESD) system, insufficient quota and high levy for foreign workers.

**4** Lack of local talents and technical know-how

**5** Shortage of raw materials due to the limited resources in domestic market.

# INITIATIVES UNDERTAKEN TO OVERCOME DELAYS



***“Speed Matters, Certainty Matters,  
Stability Matters”***

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*Thank You*



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