



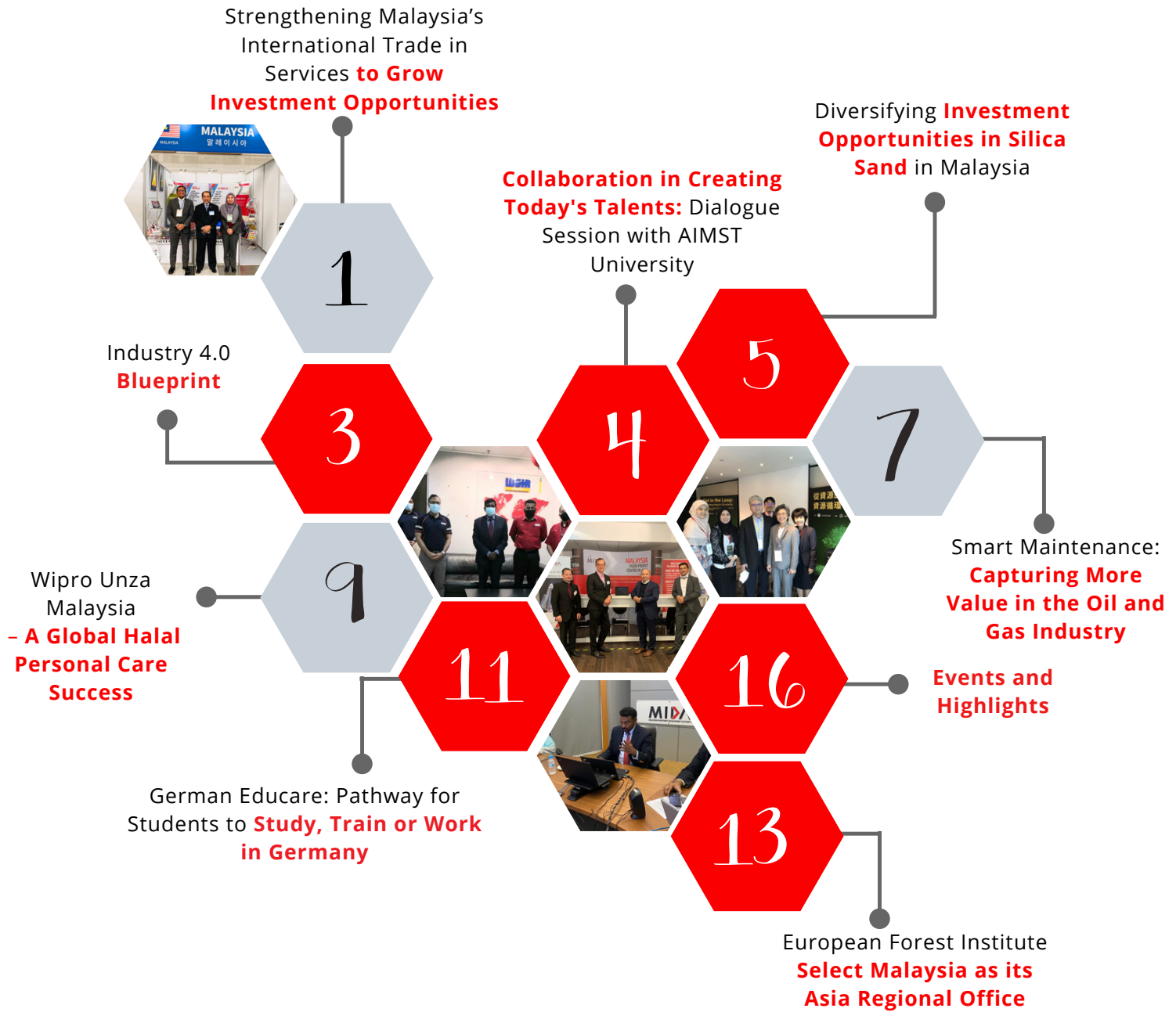
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**MIDA**  
MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY



MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY  
**E-NEWSLETTER**  
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# Strengthening Malaysia's International Trade in Services to Grow Investment Opportunities

The new era of trade is being accelerated by the progress of globalisation, economic liberalisation, and the rapid advancement of information and communication technology (ICT). Services, in particular, have emerged as a dominating force in today's trade, becoming an important engine for economic development.

In Malaysia, the services sector accounts for the most significant share of the country's Gross Domestic Product (GDP), representing 57.7 per cent in 2019. This sector also has a

huge impact on the development and growth of other industries, thus complementing the country's overall economic performance.

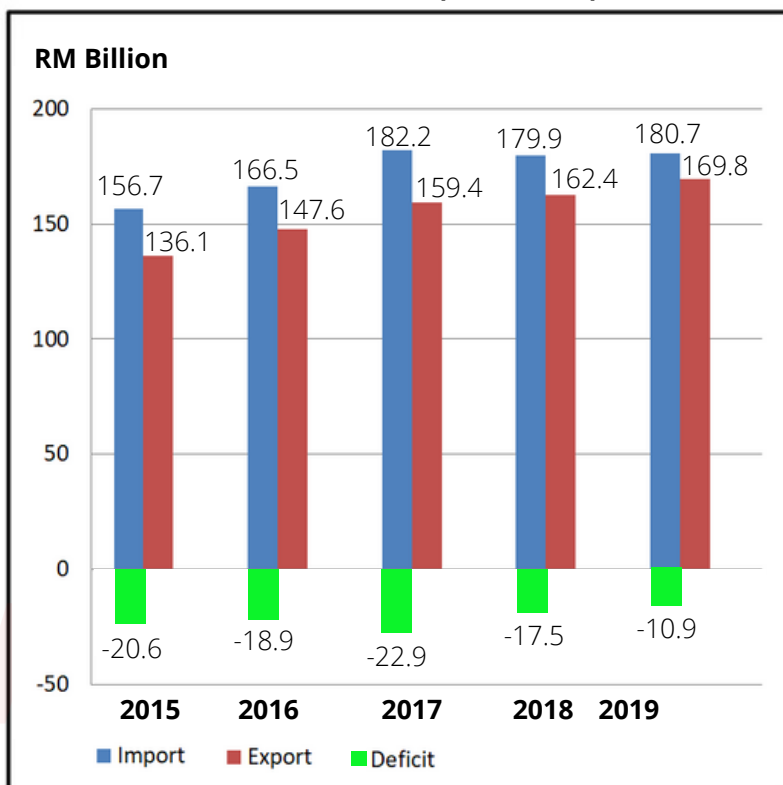
Nonetheless, Malaysia is a net importer of services rendered by foreign services providers. This means that residents are paying to utilise services provided by non-residents, which has resulted in a services trade deficit. According to the Department of Statistics Malaysia (DOSM), Malaysia has recorded a deficit in services trade current account since 1947, except for the period between 2007 and 2011.

Taking the case of 2019, Malaysia's export of services reached a record high of RM169.8 billion, but the import of services amounted to RM180.7 billion, which translates to a trade deficit of RM10.9 billion.

Nonetheless, this shortfall is at its lowest deficit level in the past five years, primarily due to a slowdown of construction activities in the country following the completion of oil and gas-related mega projects and the lack of new mega projects thereafter. This trade deficit is also contributed by payment for services to shipping companies and foreign airlines, as well as the use of intellectual property, insurance and pension services.

Traditionally, Malaysia's services exports are highly concentrated in the travel industry. Hence, the improvements of Malaysia's export of services in 2019 was contributed by favourable performance in air transport, given the increase of international air passengers due to the expansion of low-cost carriers and direct flights to international routes. This, coupled with better performance in the contract manufacturing industry eased the deficit impact to the international trade in services account.

**Import, Export and the Trade deficit for the Services Sector (2015-2019)**





However, given the widespread impact of the COVID-19 pandemic, it is forecasted that there will be repercussions on the trade in services account in 2020 as a result of travel restrictions and weaker market demands. Recognising these challenges, the Malaysian Investment Development Authority (MIDA) is intensifying its efforts to diversify and identify niche industries that may benefit from the current scenario to bolster Malaysia's exports of services going forward.

MIDA is focusing on attracting more investment-based services to set up their operations in Malaysia. This is expected to indirectly contribute to higher exports and import substitutions. Among these investment-based services include maintenance, repair and overhaul (MRO) operations, regional establishments, healthcare, green technology, logistics and tourism.

On the domestic investments front, MIDA continues to encourage the growth and strengthening of capabilities of local service providers through various initiatives such as:

- promoting the utilisation of local architects and/or engineering companies for manufacturing projects approved by MIDA;
- imposing local spending requirements on selected services which have recorded consistent deficits to initiate domestic sourcing;
- enhancing the capabilities of local companies through the support of Domestic Investment Strategic Fund (DISF); as well as

- connecting investors/ companies with local services providers through MIDA's i-Services Portal (<http://iservices.mida.gov.my>).

As Malaysia's lead agency for investments and industrial development, MIDA has a long track record of supporting both domestic and international businesses as they explore new growth opportunities in the country and beyond.

Investors are encouraged to fully utilise MIDA's assistance and facilitation to plan, kick-start, implement and expand their projects in the country efficiently and successfully.

### Growing Opportunities in Malaysia's Services Sector

Trade in services	Opportunities
Manufacturing services	<ul style="list-style-type: none"><li>• Contract manufacturing (local contract manufacturer pay manufacturing fee to foreign owner of manufactured goods)</li></ul>
Maintenance and repair	<ul style="list-style-type: none"><li>• MRO for aerospace</li><li>• Ship repair</li></ul>
Transport services	<ul style="list-style-type: none"><li>• Logistic services including supporting services to sea and air transport including storage, warehousing and port/airport services</li></ul>
Other business services	<ul style="list-style-type: none"><li>• R&amp;D</li><li>• Professional and management services</li><li>• Technical, Engineering and Architectural</li></ul>
Charges for the use of IP	<ul style="list-style-type: none"><li>• R&amp;D and commercialisation</li></ul>



# Industry 4.0 Blueprint

There is no single path for manufacturers to adopt Industry 4.0. Still there is a simple blueprint for the key requirements of an Industry 4.0 system that can guide leaders in the manufacturing space to embrace Industry 4.0. Four main elements for leaders to focus are Inter-operability, Digital Twin, Modularity, and Flexibility.

## 1 INTER-OPERABILITY

- Being able to inter-operate machines from different vendors to allow for the flow of previously underutilised data, enabling faster integration and time optimisation.
- Allowing legacy equipment and new-fangled collaborative robots to work together.

## 3 MODULARITY

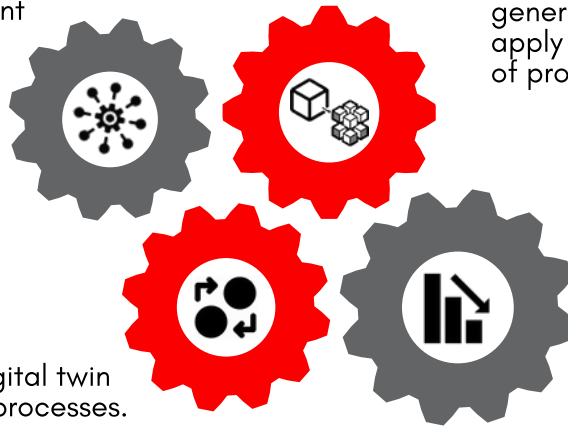
- Not having a monolithic approach to manufacturing.
- Replacing custom-built, single-purpose machines with generalised technologies that apply to a much wider variety of products and problems.

## 2 DIGITAL TWIN

- Replicate every single process for a holistic model of a factory.
- Creation and use of a digital twin for simulation of factory processes.

## 4 FLEXIBILITY

- Reduce equipment waste.
- Enable machines that are both adaptable to process variation, and product diversification.



## WHERE TO START

### DIGITALISATION

To create data foundation for a wide array of new initiatives.

### PARTNERSHIP

Opportunities for cutting edge technology to solve complex problems which leads to higher ROI.

## SMART INVESTMENT AND APPROACHES



Process Automation



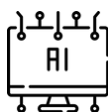
Robotics Transportation



Storage Automation



Material Management



Artificial Intelligence



Data Analytics



System Integration



# Collaboration in Creating Today's Talents: Dialogue Session with AIMST University

**M**IDA attended a dialogue session with the Board of Directors, Top Management, and Deans of the AIMST University on 22 September 2020 in Bedong, Kedah. The engagement aimed to share the Malaysian Investment Development Authority (MIDA)'s role in spearheading the nation's investment agenda and the critical role assumed by higher education institutions in producing job-ready talents.

Mr. S. Sivasuriyamoorthy, Executive Director of Investment Promotion, MIDA highlighted in his presentation of the new growth areas on Science and Technology, Innovation and Economy (STIE) ecosystem framework, referred to as the 10-10 STIE. This framework integrates the 10 technology and socio-economic drivers to raise the dynamics of the Malaysian economy. Among the major new growth areas under STIE include Industry 4.0; Next Generation Engineering and Manufacturing; Advanced Material for Circular Economy and Sustainable Society; Next-Gen Smart Factories; Manufacturing of Smart Devices and Technology Development.

AIMST University is a well-known institution that promotes Health Sciences programmes, namely Medical, Dental and Pharmacy courses in Malaysia.



From left: Mr. S. Sivasuriyamoorthy, Executive Director, Investment Promotion, MIDA, Datin Paduka Komala Devi M Perumal, Board of Director, AIMST University, Datuk P. Kamalanathan P. Panchanathan, Board of Director, AIMST University and Snr. Assoc. Prof. Dr. Kathiresan V. Sathasivam, Registrar, AIMST University.

The University's Engineering degree programmes are supported by the industry players and Government organisations such as MIDA. The University plans to upgrade and modernise its industrial laboratories, in the Analogue and Digital Electronics; Electrical Machines, Microprocessor and Microcontroller; Power Electronics; and Radio frequencies (RF) Communication. The laboratories are mainly used by engineering students to

conduct research and development (R&D) to align with the current industrial needs, especially in the electrical and electronics (E&E) sector.

Moving forward, MIDA will work closely with AIMST University on setting up an Industry Advisory Panel (IAP), Internship Programmes, and Commercialisation of their R&D findings. MIDA will also support the institution to ensure their job-ready talents are able to cater to the needs of high technology industries.



# Diversifying Investment Opportunities in Silica Sand in Malaysia

## What exactly is silica sand?

Also known as white sand, quartz sand or industrial sand, silica sand is a combination of two elements – silica and oxygen. It comes in a wide range of shades, mostly white or colourless. The colour of the sand depends on the rock detritus and the minerals that make up the resource. The quartz material in the sand, in particular, is obtained from sources like beach dunes before it is processed into different types and grades to be supplied to different industries for various applications.

Importantly, for the resource to be considered silica sand, its makeup must contain at least 95 per cent silicon dioxide and equal to 0.6 per cent iron oxide. Otherwise, it is considered to be regular sand.

Various industries utilise silica sand as their main feedstock to manufacture different products. The purity of the sand dictates the kind of final products that can be produced. The vast majority of its use is in glass products such as bottles, jars, flat glass for windows and automotive use; fibre glass, reinforcing glass fibre, light bulbs, fluorescent tubes, televisions and computer screens.



## The silica sand outreach

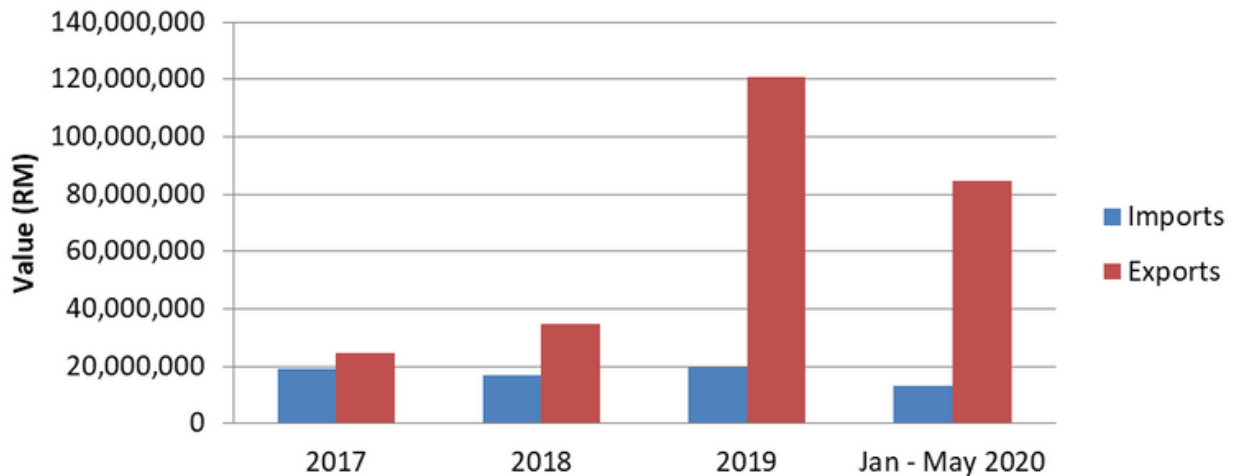
Globally, silica sand can be found in Europe, the United States, Canada, China, India and Malaysia. Among the key players in the industrial silica sand supply include Sibelco, US Silica, Fairmount Minerals, Quarzwerke GmbH, and Badger Mining. In 2018, the global silica sand market was worth approximately USD7.4 billion, registering a compound annual growth rate (CAGR) of around 7.6 per cent from 2011 to 2018. The market is further projected to reach USD10.5 billion by 2024, growing at a CAGR of nearly 6 per cent.

In Malaysia, there are over 33 different types of minerals, ranging from metallic, non-metallic to energy minerals. These are important sources of income for the country given its billions of dollars worth of economic potential. Silica sand deposits in Malaysia are scattered across the country, many of which have yet to be explored. The Department of Mineral and Geoscience Malaysia (JMG) has estimated that there are approximately 148.4 million tonnes of silica sand reserves located in the states of Johor, Perak, Terengganu, Kelantan, Sabah and Sarawak.





## Imports and Exports of Silica Sand in Malaysia



Source: Department of Statistics Malaysia (DOSM)

Note: HS Code - 2505.10.00 10

Presently, Malaysia is the world's sixth largest exporter of processed silica sand. These exports are mainly to China, Taiwan and Japan for their glass production. To further promote the high-value growth of this attracting industry, Malaysian Investment Development Authority (MIDA) is inviting companies to set up integrated projects in the country to leverage the unexplored silica sand deposits in several highly strategic locations.

Investors will be able to capitalise the potential supply of this mineral to produce high-value added end products for local and export markets. Competitive tax incentives are being offered to companies undertaking the production of high-grade silica sand in the country.

To date, MIDA has approved four manufacturing projects to produce high-grade silica sand and

processed silica sand, amounting to RM289 million worth of investments.

MIDA hopes that investments in silica sand would enhance the overall ecosystem of various industries in the country, improving local economic activities and infrastructure as well as building local vendors and its supply chain.



# Smart Maintenance: Capturing More Value in the Oil and Gas Industry

Maintenance is a critical element in the asset management of the oil and gas (O&G) industry. Malfunction of machinery or equipment can hamper product quality and productivity, especially in this industry where every second of production counts. Given the highly volatile state of the O&G market, any operational downtime could translate to thousands of dollars of missed opportunity.

Traditionally, maintenance services were mainly corrective or preventive and carried out based on signs of imminent failure. With the rise of new technologies, O&G industry players are now able to employ predictive maintenance.

This contributes to more flexible and intelligent maintenance operations that automatically recognise indicators of failures or defects, predicting the need for maintenance much earlier.

The combination of various technologies such as Artificial Intelligence (AI), networked sensors, visual and data analytics, and Internet of Things (IoT) has made predictive maintenance a much sought-after approach by many O&G players to improve productivity and efficiency of their petrochemical plants and facilities.

It has been a common practice for these plants to undergo scheduled maintenance services whereby plants were shut down for

several days or weeks, and repair were done offline. However, there is now a better option.

Innovations in maintenance practice help to optimise equipment lifetime and maximise operation uptime. In addition, abnormal situations leading to safety and environmental issues such as gas leak and carbon dioxide (CO<sub>2</sub>) emissions can be detected ahead of time to limit or avoid loss of materials, labour or revenues.

A homegrown engineering services provider Serba Dinamik Holdings is among those spearheading smart maintenance in the O&G industry in Malaysia. Serba Dinamik is establishing a Centre of Excellence for maintenance, repair and overhaul (MRO) and inspection, repair and maintenance (IRM) activities at the Bintulu Integrated Energy Hub (Bintulu i-EH) in Sarawak. The Centre, also known as Serba Integrated Turnaround Centre (SiTC) includes a centralised command facility for monitoring MRO and IRM with plant turnaround planning and execution carried out anywhere in the world.

Notably, Serba Dinamik advances its digital transformation journey through collaborations with Huawei, a leading-edge ICT solutions provider. The Serba-Huawei collaboration is set to develop innovative digital solutions through the adoption of cloud and AI technologies, as well as 5G for industrial automation and talent development.







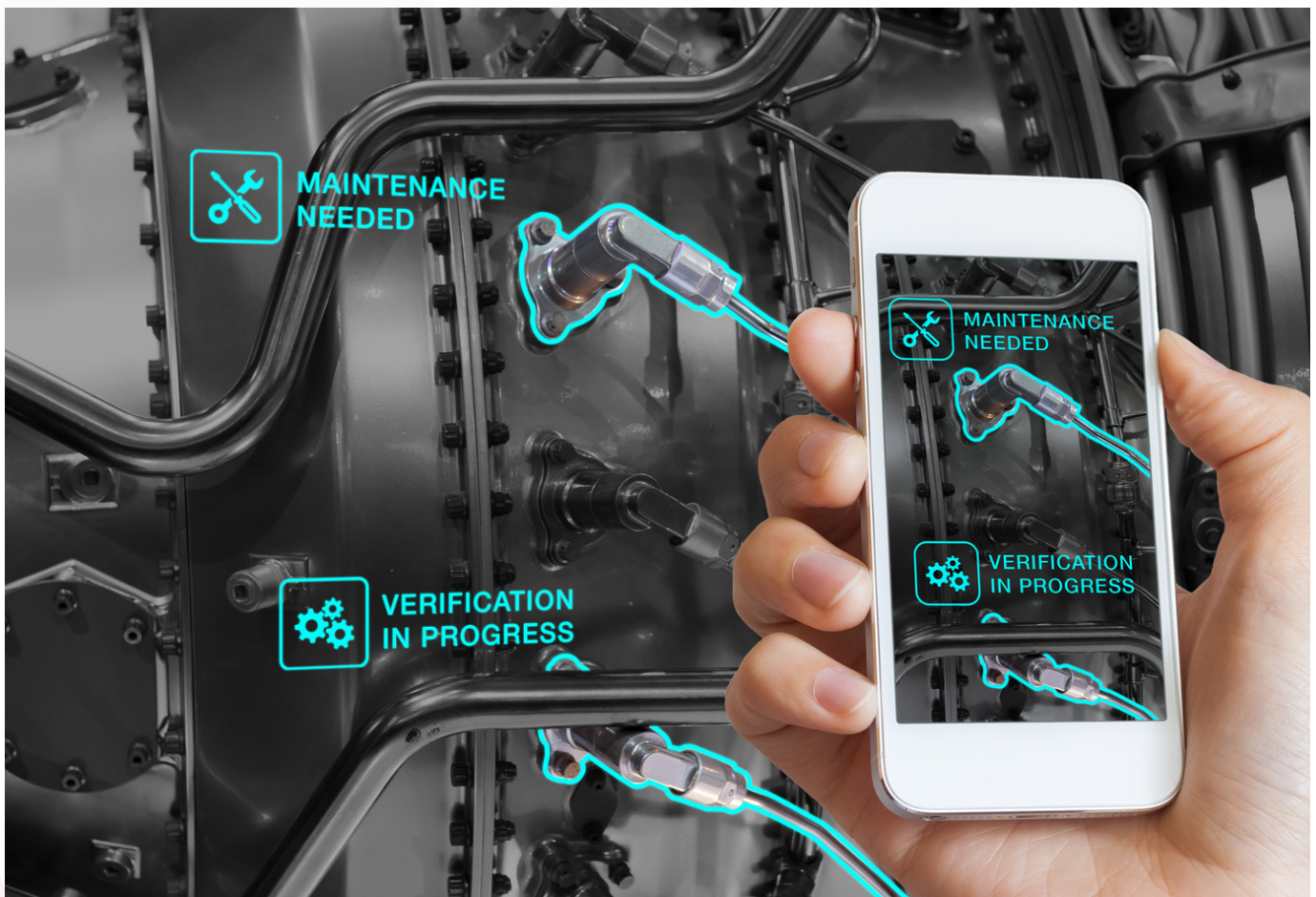
Serba Dinamik is also engaging with local training institutes to develop a smart mobile virtual training studio in efforts to enhance its workforce's expertise in the areas of health, safety, and environment (HSE). Strategies to keep maintenance costs under control include training dedicated personnel, increasing their skills and empowering them to make effective decisions. This is where virtual reality (VR) immersive training comes into play. By using VR technology, workers can obtain a realistic simulation of the actual work environment without being on location. They can be trained for specific tasks in advance, thus cutting down valuable time-on-site and improving safety performance.

Progressively, innovation and advances in technology will see prescriptive analytics as a more popular approach than predictive analytics for assets maintenance. Evidently, many thought leaders agree that the potential of prescriptive maintenance is massive in terms of providing a higher level of reliability and efficiency. Apart from predicting impending failure, prescriptive maintenance provides outcome-focused recommendations for optimal operations and maintenance.

Prescriptive data analytics will not only tell when and how to maintain the assets but will also communicate what the assets need if they are unable to fix

themselves. Early adopters of these technological breakthroughs are able to position themselves to reap the rewards of increased profitability and business viability.

The Government, through various agencies including the Malaysian Investment Development Authority (MIDA), continues to support the adoption of digital transformation within the industry by providing the necessary facilitation for industry players to thrive. Some notable incentives and grants related to the adoption of automation or Industry 4.0 offered by MIDA include grants for research and design, training, modernisation and upgrading of equipment and acquiring new technologies.





# Wipro Unza Malaysia - A Global Halal Personal Care Success

Established in December 1945 in India, Wipro Group is a well-known company with assets valued at USD10 billion. It has diversified businesses in Information Technology (IT), Consumer, Engineering, and Healthcare. Today, Wipro Unza, part of Wipro Consumer Care and Lighting Group, is one of the fastest growing Fast-Moving Consumer Goods (FMCG) companies and leading manufacturers of personal care products across Southeast Asia, China and other regions. The Company also supports a significant presence in various countries such as Malaysia, Indonesia, Vietnam, China, Taiwan, the Philippines, Hong Kong and the Middle East.

Wipro Enterprises formed Wipro Unza as a result of the acquisition of a Malaysian company Unza Holdings in 2007. The Chief Executive Officer, Mr. Sriram Krishnamurthy, explained that when Wipro Enterprises first ventured outside of Bangalore, their first choice was Malaysia. Malaysia has become the biggest market after India and the springboard of innovation for the development of new products. In terms of revenue, Malaysia contributes about 35 per cent to Wipro Unza group and the remaining divided by the other countries around the region.

The halal cosmetics and personal care product industry has grown significantly over the past several years. According to the Ministry of International Trade and Industry (MITI), the industry has emerged as the fastest-growing consumer segment in the country. Moreover, the Halal Development Corporation (HDC) has indicated that there are currently over 100 certified halal cosmetics and personal care companies in Malaysia.



**Mr. Sriram Krishnamurthy**  
Chief Executive Officer (CEO)  
Wipro Unza Malaysia

Wipro Unza is particularly well known for its halal personal care brand 'Safi' whereby Malaysia is also one of the biggest markets for this brand. Other established brands include Romano, Enchanteur, Dashing, Carrie Junior, and Sumber Ayu. In an interview with The Edge Financial Daily, Sriram highlighted that "Since the inception, Safi has consistently been 100 per cent halal. It is even beyond what the Department of Islamic Development Malaysia (JAKIM) would certify as halal. Some industries use alcohol formulas which are permissible to be classified as halal, but we go one step further by not including it at all in our formulas. This strategy has helped the company to grow and market its branding further in the halal segment. The positioning as "a local best" helped us to understand our customers and the market in depth. The Company believes that the halal market would deliver sustainable growth, leveraging also on the growing Muslim population in Malaysia, Indonesia and the Middle East".

"Safi was launched in Indonesia in the middle of last year and has been well received in their local market. So far, it's getting a lot of attraction and good response. The prospects for growth in this segment are huge for Asia and the Middle East. We are optimistic that the Safi brand would grow faster there given their larger population sizes," he said.





As at 2018, the global halal cosmetics and personal care market was valued at USD24 billion (RM99.12 billion) and expected to reach USD41.6 billion by the end of 2025, according to a report, "Global Halal Cosmetics and Personal Care Market Insights, Forecast To 2025" by market research firm QY Research. This point to a compound annual growth rate (CAGR) of 7.1% over the next six (6) years.

Wipro Unza (Malaysia) Sdn Bhd, is hoping to replicate its popularity in surrounding markets given the success of its 12 halal-certified brands in Malaysia over the years. All of its 13 product categories have consistently maintained market leading positions in Malaysia over the past decade.

Alongside of the Head Office (HQ) located in Subang, the group also has a Research and Development (R&D) facility which has been deemed as the world's largest "halal R&D for skincare", occupied with over 100 scientists in the facility. The company started with an investment of RM10 million back in 2012, and continuously invested about the same amount every year.

Based on this success, the investment in the R&D innovation has enabled the company to develop an average of 70 new products annually, leading in halal personal care research as the market leader in the local facial skincare. The group has also set up R&D centers in their operations in several countries like India, China, Vietnam and Indonesia.

Wipro sees Malaysia as an important regional hub to invest and establish the Wipro Skin Research and Innovation Centre. With the current global pandemic, the company anticipates smoother procedures for entry of foreign experts for new product development projects. Moving forward, Wipro Unza is targeting RM1 billion in revenue in the next five to six years from the current revenue contribution of RM600 million. The target would be mainly driven by healthy demand for halal personal care products globally.





# German Educare: Pathway for Students to Study, Train or Work in Germany

German Educare is the brainchild of a group of Malaysians who had studied and lived in Germany for several years. The idea was conceived from the group's experiences in Germany and their enthusiasm to share it with other Malaysians. As there are many famous universities in Germany, it is not surprising that Germany is one of the top study destinations worldwide.

Many Malaysians are still unaware that education in Germany is affordable, as they could spend the same amount on tuition fees for a private university in Malaysia. The group realised that they could help more students to enjoy similar memorable experiences they had, when friends reached out to help with their endeavours.

After four years, German Educare believes that it has one of the most comprehensive Germany's preparation programmes, through four pathways within Malaysia, namely:

- A-Levels with German pathway at Methodist College Kuala Lumpur (MCKL);
- University Preparation Programme for pre-U students;
- Dual Vocational Training (DVT) Preparation Programme for students who prefer the apprenticeship pathway; and
- Work in Germany programme to help nurses to get their qualification recognised in Germany.



The German Educare preparation programme covers three main areas of language, administrative and local supports. Intensive German language classes are provided to help students or applicants learn how to speak, read and write. Administrative supports cover university and visa applications, accommodation sources, insurance registrations and arrangements for opening of bank account. To assist in the transition overseas, new students will be well-taken care of while they are in Germany. They will be assigned to a buddy who will assist them to familiarise themselves living in Germany, apart from peer-to-peer support from other students within the group's network.

Even before the COVID-19 pandemic, German Educare has implemented combined learning where students supplement their classes with additional online learning materials and quizzes through the Learning Management System (LMS). The group continues to invest in making the learning experience more accessible and location agnostic, which enable more talents to get the opportunity to study and work in Germany.







Its highlight for the year 2020 is that students were able to enroll for the winter semester 2020 intake as planned. It was partly due to the successful implementation of online learning, and high-level dedication from both the German Educare teams in Malaysia and Germany. The teams are well-versed with the ecosystem and were able to get up-to-date information on student enrolment to advise students accordingly.

Talent acquisition and development is the fundamental objective of German Educare. By providing this pathway for Malaysians to study, train or work in Germany, Malaysians will be exposed to the very high Made-in-Germany standards.

Graduates from German universities strive to find suitable career positions in Malaysia. Besides, German companies that are based in Malaysia have raised on insufficient applicants who meet some of their specific talent requirements. In addressing this issue, German Educare is building a community of talented youths; providing support throughout their studies and job-search after graduation.

German Educare reiterates that “This community will not be complete if insufficient companies are hiring our talents; hence we have been actively reaching out to companies. We are thankful to the Malaysian Investment Development Authority (MIDA) and the Malaysian-German Chamber of Commerce and Industry (MGCC) for helping us get connected with the industry players”.

German Educare’s vision is also for companies to hire students, train them in Germany, and then send them to Malaysia to be part of the Malaysian team. It would be a sustainable and reliable way to secure promising talents, and companies are welcomed as partners to implement this arrangement.

German Educare recently registered a subsidiary, edu8 GmbH in Bavaria, Germany and another team based in Aachen; in expanding their operations and to be easily accessible not just to communities, but also to German companies and institutions. The group believes that Malaysians will appreciate the opportunity to study, experience apprenticeship and work in Germany; allowing to immerse themselves in the German working culture in addition to acquiring quality knowledge and skills. With this experience, Malaysian youths can confidently return to Malaysia with the best acquired German education.

# European Forest Institute Select Malaysia as its Asia Regional Office



The European Forest Institute (EFI) is an international organisation, headquartered in Joensuu, Finland, with other European offices in Belgium, Germany and Spain. EFI has 29 member countries; 130 member organisations from 40 different countries (not all European), representing almost 10,000 international researchers.

EFI works in diverse research fields related to natural resources management and climate change. It provides forest-related knowledge in three interconnected and interdisciplinary themes, namely bio-economy, forest resilience and forest governance. EFI receives funding from the European Commission, European Union (EU) member states and numerous international sources.

Under its forest governance theme, EFI has been supporting the EU's Forest Law Enforcement, Governance & Trade (FLEGT) Action Plan, in particular FLEGT Voluntary Partnership Agreements (VPA) with ASEAN member states since 2007. For this purpose, a regional office in Asia was set up to support timber producing countries in the region to put in place legality systems, ensuring that legal timber is sold globally.



When the EFI started searching for office space for an Asia regional office, the organisation had three priorities to consider:

## I. Security and safety

As a natural first step, EFI contacted several EU Delegations to ASEAN countries, including the EU Delegation to Malaysia. The delegations assured EFI of Kuala Lumpur's reputation in terms of security and safety. There are also several EU member states' Embassies located in the vicinity and along Jalan Ampang that is considered the Embassy Row. These include the embassies of Germany, The Netherlands and the United Kingdom which were enthusiastic about an EFI Asia Regional Office in their vicinity to strengthen communications and collaborations between both organisations. By an ideal coincidence, the Embassy of Finland offered office space within its premises to EFI.

## II. Connectivity

EFI was enticed by Kuala Lumpur's excellent infrastructure and its international flight connectivity as the Asia Regional Office would need to be strategically located with easy access to partner countries in the region and to the rest of the world, especially Europe. The Kuala Lumpur International Airport (KLIA) and attractive option of using low-cost carriers to fly inexpensively and quickly to various destinations in ASEAN +3 countries was Kuala Lumpur's pull factor.

## III. Expatriate living conditions and costs

Given that the Asia Regional Office is part of the global EFI network and would have to attract high-calibre international experts to relocate with their families, among the most important considerations for EFI was the availability of good



quality education and health services. In this regard, Kuala Lumpur fits the bill for its availability of international private schools as well as medical specialist centres and hospitals offering one of the best affordable health services in the region, if not the world. Additionally, some research led EFI to conclude that cost and living conditions were comparatively better than most major cities in the region. Besides, traffic, ease of communication in English and quality of IT infrastructure were also important.

Ultimately, the EFI Asia Regional Office was established at the end of 2009. EFI chose Kuala Lumpur due to the fact that it offers the complete package, not only just winning on one out of the few criteria that had been prioritised. The Malaysian Government also had clear policies and guidelines on the setting up of a regional office. It was easy for EFI representatives to communicate with officials, with minimal to and fro of documents submissions.

#### **Contribution to forest governance in ASEAN**

EFI has worked for the past 10 years in Kuala Lumpur to raise awareness about the EU's FLEGT Action Plan that was put in place in 2003. The EU is continuing to negotiate for the FLEGT Voluntary Partnership Agreements (VPAs) with individual timber producing countries in ASEAN to set up legality assurance systems to ensure that legal timber is sold globally. The experts at the EFI Asia Regional Office have contributed significantly to the development of these systems.

Currently, eight out of ten ASEAN member states are in dialogue or information exchanges with the EU with five (Indonesia, Malaysia, Laos, Thailand and Vietnam) in various stages of VPA negotiation or implementation processes. Indonesia has advanced the furthest and for the past three years, since November 2016, has been implementing the agreed timber legality processes in their VPA with the EU.

EFI Asia experts work to support the European Commission in Brussels, the EU Delegations in various Asian member states, EU member states and, last but not least, ASEAN partner countries in negotiating and implementing VPAs, technical exchanges and informational support. Other ASEAN member states, Myanmar, Cambodia and the Philippines too have benefitted indirectly.

The Asia Regional office has thus contributed significantly in promoting forest governance capacity in ASEAN, both at individual country levels and regionally. It is done directly through technical input and process support in the negotiating countries while building and strengthening networks for FLEGT at regional level to increase sustainable forest governance.

The EFI Asia Regional Office has worked to organise and fund Timber Legality Assurance (TLA) workshops for the government, private sector and civil society sectors from most of the ASEAN member states. To further enrich the discussions, participants are brought in from major Asian timber consumer markets such as India, China, Japan and South Korea. For the past seven years, there have been five TLA workshops with support from no less than 150 ASEAN participants, including Malaysia.

#### **Looking forward to an enhanced work programme in ASEAN**

In August 2020, the EU has approved a new Regional-ASEAN Forest Governance Support Programme (EU FLEGT Asia Programme) to further the work done by EFI in Asia on FLEGT. It will be to a tune of EUR5 million over a period of three years. This programme will assist ASEAN member states in enhancing and further demonstrating good forest governance and sustainable forest management.

Additionally, EFI will continue its work to support the micro and small entities within the timber sector in the Mekong region as well as advocating for the improvement of land-use governance, reduction of deforestation and forest degradation as part of the global climate change agenda.





For the next three years, EFI will fortify its work for FLEGT in Asia, through:

- strengthening systems and capacities for progress in FLEGT licensing, negotiation and implementation of VPAs;
- improving dialogue, coordination and exchanges between ASEAN member states and between the EU and/or ASEAN with major timber trade partners; as well as
- promising best practices on national and sub-national forest governance and management frameworks for sustainable landscape interventions.

On regional level, EFI will help ASEAN to further develop regional frameworks and guidance, activate and invigorate multi-stakeholder forums and collaborate with regional partners synergistically.

An exciting new Partnership Programme was recently added to the current portfolio of EFI in Asia on sustainable palm oil production in Malaysia and Indonesia. EFI has begun dialogues with the Malaysia's Ministry of Plantation Industries and Commodities; and palm oil agencies to build dynamic and forward-looking programmes.



## Highlights of October >>>



An internal collaboration was established between Chemical and Advanced Materials Division, Advanced Technology and R&D Division as well as Domestic Investment and Supply Chain Coordination Division to engage with the industry players via webinar on 6 October 2020. The session, represented by the Directors of the respective Divisions, aimed to facilitate and inspire industry growth via technology adoption.



During the Investors Outreach Programme on 6 October 2020, Mr. Yusri Hasnan Chu Abu Bakar, Director of MIDA Frankfurt made a visit to meet Mr. Frank Heinrich, Charman of Schott AG at the company's headquarters (HQ) in Mainz. Discussion covered on the PENJANA initiatives, MIDA's facilitation on post-investment challenges during COVID-19 pandemic, trade facilitations and potential investment expansion in Malaysia.



On 7 October 2020, the Transportation Technology Division, Advanced Technology and Research and Development Division and Domestic Investment and Supply Chain Coordination Division had another internal collaboration to assist and facilitate industry players towards technological adoption.



On 7 October 2020, MIDA, in collaboration with the Immigration Department Malaysia (JIM)-MyXpats and TalentCorp, organised a session for companies to familiarise with the new ESD Online System. Effective 1 September 2020, the applications for Employment Passes (EP) for posts approved under MIDA need to be submitted via MyXpat link of the Immigration Department.



## Highlights of October >>>



Ms. Noor Aini Samoon, Director of MIDA Selangor, attended the groundbreaking ceremony of Daikin Centralised Distribution Hub at Kota Elmina Industrial Park, Selangor on 8 October 2020. Despite the current Covid-19 pandemic situation, Malaysia is pleased to be the host for another significant investment from the company.



On 9 October 2020, Mr. S. Sivasuriyamoorthy, Executive Director of Investment Promotion MIDA, led an informative visit to Linatex Rubber (Weir Grp). Established for more than 30 years in Malaysia, the United Kingdom based company is one of the pioneers in producing premium rubber products for the mining industry worldwide.

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**MODERATOR**

**MR. JAMALLUDIN OBENG**  
Vice President  
MOGSEC

**SPEAKERS**

**DR. DARIUS NGO**  
Senior Vice President, Yokogawa

**MR. HAZLI JEMAAT**  
Director  
Oil & Gas Maritime & Logistics Services Division  
MIDA

**MR. EDDY LEK**  
Global Industry Marketing  
Senior Manager Energy  
AVEVA

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In conjunction with the virtual Malaysian Oil and Gas Services Exhibition and Conference (MOGSEC) 2020, MIDA represented by Mr. Hazli Jemaat, Director of Oil and Gas Maritime and Logistics Services Division, briefed on the available facilities including Industry4RWD Intervention Fund, Domestic Investment Strategic Fund (DISF) and Automation Capital Allowance to be leveraged by companies. The three day event was aimed to showcase and promote Malaysia as the regional hub for the oil and gas industry.



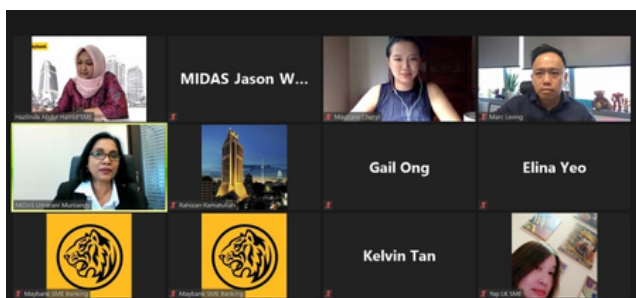
Mr. Mohamad Reduan Mohd Zabri, Director of MIDA Korea was invited as a guest speaker for the Investment Seminar held on 13 October 2020 during the Korean-ASEAN and India Business Week 2020. MIDA also participated in the Country Promotional Booth.



# Highlights of October >>>



The MIDA Invest Series webinar held on 15 October 2020 attracted an overwhelming responses from a total of 365 participants. Mr. Ahmad Khairuddin, DCEO II of MIDA in his welcoming speech encouraged all investors to fully utilise the facilities and assistance provided by the Government to expand their businesses further.



On 16 October 2020, Ms. Umarani Muniandy, Director of MIDA Singapore led a successful collaboration with Maybank Singapore to host a webinar on the 'Investment Opportunities in Malaysia'. The webinar focused on business opportunities, facilities and funding options for Singapore companies to set up businesses in Malaysia.



Director of MIDA Frankfurt, Mr. Yusri Hasnan Chu Abu Bakar was one of the panelists of a virtual session 'Mission Southeast Asia - Malaysia'. He briefed the attendees on MIDA's roles and services offered to facilitate the Dutch investors in doing business in Malaysia. The Malaysian Dutch Business Council (MBDC) organised the event on 16 October 2020.



On 17 October 2020, more than 400 participants joined the webinar on 'Malaysia-Argentina: Strengthening Bilateral Trade and Investment in the New Normal'. Mr. Sikh Shamsul Ibrahim Sikh Abdul Majid, Director of Foreign Investment Promotion Division, spoke on the significance of both nations exchanging information on trade and investment opportunities in Malaysia.

## Highlights of October >>>



On 19 October 2020, MIDA Frankfurt led by Mr. Yusri Hasnan Chu Abu Bakar participated as an exhibitor in the Foreign Trade day of BVMW, a Germany's largest small and medium-sized enterprise (SME) association. He also spoke on Malaysia as an attractive business hub for the German Mittelstand. The hybrid-event, was physically attended by 50 businessmen, while many more participated virtually.



The Deputy Director of Chemical and Advanced Materials Division, Mr. Vinothan Tulisinathzan participated in the 'Briefing on Industrial Waste Management: Policy Updates and Incentives for Environment Sustainability', organised by Malaysian Rubber Council (MRC) on 20 October 2020. He presented on the investment support for the rubber and green industries. A total of 55 rubber companies participated in the webinar which also highlighted on environment sustainability management and facilitation by the Green Technology Division of MIDA.



Ms. Syakella Zakaria, the Director of MIDA Taipei, was invited as one of the panelist in the annual ASEAN-India-Taiwan Investment Forum 2020. MIDA and MATRADE Taipei also participated in the Country Promotional Booth during the event, held on 21 October 2020.



In conjunction with the International Greentech and Eco Products Exhibition and Conference Malaysia (IGEM) 2020, from 19 to 23 October 2020, the Green Technology Division of MIDA actively engaged in information sharing on investment opportunities in green technology through the pocket talk, conferences and business matching sessions. More than 700 participants registered on MIDA's virtual booth to get the updates on the latest government policies, facilities and support available for local and foreign investors in the green technology industry.



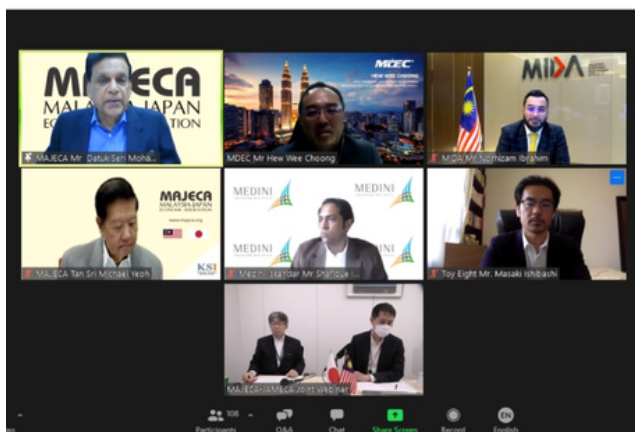
## Highlights of October >>>



On 21 October 2020, Ms. Yusni Md Yusop, Director of MIDA Pulau Pinang briefed on investment promotion initiatives in a session with Hong Leong Bank of Northern Region together with 11 companies which includes multinational corporations (MNCs).



Mr Abdul Fatah Mohamed Rafaie, Senior Deputy Director from the Domestic Investment and Supply Chain Coordination Division was invited as the guest speaker for the SME Solution 2020 on 21 October 2020. MIDA is pleased to be the Supporting Partner for the organiser's first virtual Expo to promote products and solutions for local small and medium-sized enterprises (SMEs).



Aiming to highlight the competitiveness of digitalisation, the Malaysia-Japan Economic Association (MAJECA) and the Japan-Malaysia Economic Association (JAMECA) hosted a webinar on 'Malaysia-Japan Collaboration on Digitalisation' on 22 October 2020. MIDA, led by Mr. Norhizam Ibrahim, Director of Advanced Technology and R&D presented on Malaysia's Lighthouse Programme and MIDA facilitation on Industry 4.0.



On 26 October 2020, the Food Technology and Resource Based Industries Division and MIDA Osaka, led by the respective directors, Ms. Khamilah Mohd Yusoff and Mr. Afzanil Md. Anuar, collaborated with Osaka Chambers of Commerce and the Asean Japan Centre (AJC) in an e-SPM webinar on 'The Attractiveness and Ecosystem of the Malaysian Food Industry'. The webinar received overwhelming responses from a total of 115 participants, representing 90 food companies/organisations in Japan, mostly from Osaka, Kyoto, Nara and Hiroshima.



# Highlights of October >>>



Mr. Pravinganesha Rajoo, Director of MIDA Paris, delivered the keynote address and presented on the opportunities in Malaysia in post COVID-19 during a webinar organised by Portuguese Industrial Association - Chamber of Commerce and Industry (AIP-CCI). The event held on 27 October 2020 was participated by 50 participants, representing various industries in Portugal.



On 29 October 2020, MIDA Taipei, led by Ms. Syakella Zakaria participated in the "Get in the Loop: Circular Economy Collaboration and Business Opportunity Development" event organised by the Ministry of Environmental Protection Administration on 29 October 2020. She also shared insights on the investment opportunities in Malaysia particularly in the green technology industry.



On 30 October 2020, Ms. Syakella Zakaria, Director of MIDA Taipei participated in another "Investment Opportunities Post COVID-19" programme in Taichung. She was invited to talk on the post-pandemic investment prospects in Malaysia.



Mr. S. Sivasuriyamoorthy, Executive Director of Investment Promotion, participated in the 2020 ASEAN Capital Market Cooperation Seminar (Manufacturing Session) held on 30 October 2020. He presented a paper on "Seizing the Investment Opportunities in Malaysia" and encouraged China high-tech companies to consider Malaysia as a global supply chain hub in the region.



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## MIDA IN THE NEWS

- MIDA engages, networks with stakeholders, investors in PACU@MIDA webinar
- Govt sets up one-stop centre at MIDA to facilitate business travellers' entry
- Malaysia remains a preferred investment destination, says MIDA
- MIDA at full tilt to improve delivery system for investors
- Malaysia ideal location for foreign companies seeking to relocate, expand investments --MIDA

## ECONOMY NEWS

- Japanese companies venturing into Malaysia's digital tech, aviation
- Positive economic trend to continue — Analysts
- Singapore's Heng: Iskandar Malaysia offers good opportunities to cluster full value chain of activities
- UOB Malaysia expects investments to regain momentum next year
- Finance Ministry hopes economic recovery momentum can be maintained
- MITI urges companies to register with CIMS database system
- Be more aggressive in attracting investors, Melaka governor tells state govt
- Covid-19 resurgence does not affect foreign investments in Johor
- Melaka to develop new economic corridor that will be a 'game changer'
- Simplify procedures and more Japanese investments will flow in, says ambassador
- Budget 2021 to align with 12MP to revitalise economy, says UOB
- CMCO allows economy, supply chain to continue without disruption, says Noor Hisham
- IMF expects Malaysia's GDP to increase 7.8% next year
- Pahang to develop two key sectors
- MNCs look to KL as Asia's prime investment destination, says EY
- Malaysia stands at forefront to attract FDI amid COVID-19
- Positioning Malaysia as startup hub important to attract global talents
- Budget 2021 should be prioritised to ensure economy, businesses recover from COVID-19 -- Economist
- Malaysia's economy remains on path to recovery -- MIDF Research
- Pagoh Economic Zone spanning 1,600 hectares to be developed soon

## INDUSTRY NEWS

- Penang recorded RM9.12b manufacturing investments in 1H — MIDA
- Metronic Global partners Singapore's JFSM to develop 'smart factories'
- Penang still growing strong
- Hil Industries gets approval to manufacture 3-ply surgical face masks
- Duopharma to partner with OEM in Indonesia, Singapore
- Malaysia ready to work together towards halal food self-sufficiency
- K-One to make syringe safety needle caps for worldwide distribution
- Top Glove ups capex allocation to RM10b from RM8b
- Rising cases to sustain gloves' demand trajectory
- VS Industry to buy land and industrial buildings in Johor, plans to relocate HQ
- Where are Malaysian players in the semiconductor value chain?
- Southern Cable eyes automotive, elevator segments
- Taiwan's Wistron Corp to buy Western Digital PJ factory
- Mah Sing branches into glove-making, to spend RM150mil on first factory



- Medical devices industry is Penang's hidden gem
- China remains Malaysia's largest foreign investor in manufacturing sector — MITI
- Coca-Cola to strengthen business operation in Malaysia
- Sarawak plans to export green hydrogen
- Pharmaniaga partners with India's Serum to boost vaccine business
- Malaysia's E&E sector set to benefit from China's 14th five-year plan — economists

## SERVICES NEWS

- Industrial space big business, thanks to e-commerce
- Tengku Zafrul: Creative industry could make vital contributions to high-growth sectors
- Digital technology adoption ecosystem needs to change to cushion Covid-19 impact - Khairy
- Cyberjaya's new master plan to position city as preferred tech investment hub
- SEDC inks MoU on development of BioPort Hub
- Sarawak Digital Economy Corporation enters strategic partnerships to develop state's digital economy
- MBSA plans 'silicon valley' in Selangor's Golden Triangle
- Tasco plans RM400 mil capex for capacity expansion
- US-based Hach acquires Arachem's water quality business, expands training centre in Malaysia
- Malaysia's medical tourism sector seeing signs of growth
- Solarvest poised to ride on domestic solar industry prospects, says Kenanga

## CROSS BORDER NEWS

- JF Technology to partner with a Chinese smartphone giant to set up plant in China, sources say

## GLOBAL NEWS

- Asia-Pacific region leading in economic recovery -- Moody's
- ASEAN govts should adopt new measures to counter growth risks
- ASEAN companies urged to leverage on intra-regional e-commerce trade

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### OUR COMMUNICATION TOOLS

• • •

**1 Website**

With more than 28,000 unique visitors each month, our website provides useful and relevant information, which serves as a reference for anyone interested in doing business in Malaysia.



Sample of MIDA's homepage at [www.mida.gov.my](http://www.mida.gov.my)

**2 E-Newsletter**

With more than 18,000 registered subscribers and growing, our monthly English E-Newsletter contains the latest industry and services updates as well as activities held throughout the month.




Sample of MIDA's E-Newsletter

### OUR COMMUNICATION TOOLS

• • •

**3 Digital Signages**

Our digital signages are situated within our HQ building in KL Sentral, which receives heavy number of visitors daily



One of our video walls at MIDA lobby



Some of our LCD TVs at MIDA lobby

### OUR ADVERTISING RATES

• • •

**MIDA's Website**

Homepage ..... RM1,500 per week

**E-Newsletter**

Full page ..... RM6,000 per issue  
Half page ..... RM3,000 per issue  
Quarter page ..... RM2,000 per issue

**Digital Signages**

Video Walls ..... RM6,000 per month  
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### TRAINING ROOM

### MEETING ROOM

		Rates (RM)	
Hall Types		G	P
<b>Perdana Hall</b> (230 pax)	Inclusive of: • VIP Holding Room • PC Room • Basic AV System	5,000	6,000
<b>Banquet Hall</b> (230 pax)	Inclusive of: • Basic AV System	3,000	3,500
<b>Perdana + Banquet Hall</b>	Inclusive of: • VIP Holding Room • PC Room • Basic AV System	7,500	9,000
F&B Packages*		G	P
<b>A</b>	Inclusive of: • Refreshment • Tea Break • Lunch • Hi-Tea	From RM100/ pax	
<b>B</b>	Inclusive of: • Refreshment • Tea Break • Lunch	From RM80/ pax	
<b>C</b>	Inclusive of: • Refreshment • Tea Break/Hi-Tea	From RM50/ pax	

\*Exclusive of:  
GST (0%)  
Service staff, linen, dome, logistic (RM200)  
\*F&B by MIDA's panel caterers

G = Government  
P = Private

		Rates (RM)	
Room Types		G	P
<b>Sigma/Gamma Room</b> (40 pax)	Inclusive of: • Basic AV System • 1 Flipchart • 2 Mahjong Paper • 2 Marker Pens	850	950
F&B Packages		G	P
Inclusive of: • Refreshment • Lunch • Tea Break		RM60/pax	

\*Exclusive of:  
GST (0%)  
Service staff, linen, dome, logistic (RM200)  
\*F&B by MIDA's panel caterers

G = Government  
P = Private



Perdana Hall



PC Room



Boardroom



Japan Room

		Rates (RM)	
Room Types		G	P
<b>Board Room</b> (30 pax)	Inclusive of: • VIP Holding Room • VIP Lounge • AV System	2,000	2,500
<b>USA Room</b> (25 pax)	Inclusive of: • Basic AV System	1,500	1,850
<b>Japan Room</b> (50 pax)	Inclusive of: • Basic AV System	1,500	1,850
F&B Packages*			
<b>A</b>	Inclusive of: • Refreshment • Tea Break • Lunch • Hi-Tea	From RM100/ pax	
<b>B</b>	Inclusive of: • Refreshment • Tea Break • Lunch	From RM80/ pax	
<b>C</b>	Inclusive of: • Refreshment • Tea Break/Hi-Tea	From RM50/ pax	

\*Exclusive of:  
GST (0%)  
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### ABOUT MIDA

MIDA is the government's principal investment promotion and development agency under the Ministry of International Trade and Industry (MITI) to oversee and drive investments into the manufacturing and services sectors in Malaysia. Headquartered in Kuala Lumpur Sentral, MIDA has 12 regional and 20 overseas offices. MIDA continues to be the strategic partner to businesses in seizing the opportunities arising from the technology revolution of this era. For more information, please visit [www.mida.gov.my](http://www.mida.gov.my) and follow us on Twitter, Instagram and Facebook, LinkedIn and Youtube channel.

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#### Malaysian Investment Development Authority

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