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### **MALAYSIA RECORDS OUTSTANDING RM177.8 BILLION APPROVED INVESTMENTS IN JAN- SEPT 2021**

**Kuala Lumpur, 23 December 2021** – Malaysia has attracted a total of RM177.8 billion approved investments in the manufacturing, services and primary sectors, involving 3,037 projects in January to September 2021. This represents an outstanding 51.5 per cent increase compared to the same period last year and is expected to generate 79,899 jobs in the country.

YB. Dato' Seri Mohamed Azmin Ali, Senior Minister and Minister of International Trade and Industry shared that “The country’s stellar performance is indeed a testament to investors’ strong confidence in Malaysia as a preferred investment hub, particularly our conducive business ecosystem in providing high-skilled talents and having strong readiness in advanced technology. This, in turn, further bolsters our role as a prominent site in global companies’ manufacturing networks, enhancing Malaysia’s position as a pioneering, renowned investment destination in the region.”

The manufacturing sector accounted for the largest share of the total investments for the period, amounting to RM103.9 billion (58.4%), followed by the services sector with RM57.8 billion (32.5%) and the primary sector with RM16.1 billion (9.1%).

Foreign direct investments (FDI) accounted for nearly 60 per cent of approved investments, valued at RM106.1 billion. Singapore, China, Austria, Japan and the Netherlands were the top five (5) foreign investment sources contributing to nearly 85.3 per cent or RM90.6 billion of the total approved FDI in the country.

While FDI lead the approved investments in the manufacturing sector investments from local companies dominated in the services and primary sectors. Domestic direct investments (DDI) totaled RM71.7 billion or 40.3 per cent of the total approved investments.

Five states - Kedah, Sarawak, W.P. Kuala Lumpur, Selangor and Pahang contributed RM134.8 billion (75.8%) to the total approved investments in various sectors.

## **Manufacturing Sector**

A total of 522 manufacturing projects worth RM103.9 billion were approved in the period of January to September 2021, compared to RM64.8 billion in the same period last year, which translates to more than 60 per cent increase.

FDI drove the strong performance of the manufacturing sector during the period soaring by 133.5 per cent compared to the same period in 2020, accounting for 88.3 per cent or RM91.7 billion of the approved investments within the sector. The remaining RM12.2 billion (11.7%) approved investments in the sector were from domestic sources.

In terms of top-performing industries in January to September 2021, the electrical and electronics (E&E) (RM64.3 billion), fabricated metal products (RM14.0 billion), rubber products (RM5.4 billion), basic metal products (RM5.2 billion), food manufacturing (RM4.6 billion), chemicals and chemical products (RM4.1 billion), scientific and measuring equipment (RM2.1 billion) and transport equipment (RM980.8 million) made up 96.8 per cent of total approved investments for the manufacturing sector.

The Senior Minister highlighted Malaysia is focusing on pursuing more high quality, capital-intensive projects and those that support the sustainable development agenda of the nation. “Supporting our nation’s Shared Prosperity Vision (SPV) 2030 and our Twelfth Malaysia Plan (RMK12), we have been securing new investments that align well Malaysia’s National Investment Aspirations (NIA) and Environmental, Social and Governance (ESG) principles. This is reflected by the increasing number of capital-intensive projects approved by MIDA in January to September 2021,” he added.

The capital investment per employee (CIPE) ratio of the projects approved during the period increased to RM1,736,420 from RM1,276,071 compared to the same period last year.

From these approved investments, the workforce required include 2,923 managerial positions and 10,207 technical professionals such as engineers in the field of E&E, mechanical, chemical and other disciplines, reflecting the higher value chain transition of the manufacturing sector. The approved manufacturing projects will also require 7,907 skilled craftsmen such as plant maintenance supervisors, tools and die makers, machinists, IT personnel, quality controllers, electricians and welders.

Notable projects approved during the period include AT&S, an Austrian company and global leader of high-end printed circuit boards (PCB) and integrated circuit (IC) substrates that has chosen Malaysia for its first production plant in the region. The company’s RM8.5 billion investment in Kulim, Kedah looks to tap into the country for its manufacturing operation and R&D activities. This will further boost Malaysia’s domestic E&E ecosystem, creating high-tech jobs for Malaysians and opportunities for local vendors.

Nexperia Malaysia, a wholly owned subsidiary of Nexperia BV (Netherlands) which is among the leading players in the high-volume production of essential semiconductors and components that are utilised in a variety of electronic designs, will also be expanding its operations in Negeri Sembilan by investing in building, equipment and automation. This will provide potential job opportunity of 700 skilled workers over time to man and maintain automated production lines, underscoring Malaysia's local talent capability and mature E&E supply chain that supports companies' long-term growth.

Japan-based Taiyo Yuden also announced an investment of RM680 million for the expansion of its multilayer ceramic capacitors production in Kuching, Sarawak. This is to meet the growing demands of their clients in ASEAN.

### **Services Sector**

The first nine months of 2021 saw the approval of 2,473 services projects with approved investments of RM57.8 billion. These projects are expected to create 19,731 jobs once implemented.

Domestic investments dominated those approved within the sector, making up RM46.9 billion or 81.1 per cent, while the remainder RM10.9 billion are from foreign sources.

The real estate sub-sector remained the largest contributor with RM20.1 billion; whereby global establishments, financial services, hotel and tourism as well as transport services have also recorded increases during the period.

Notably, the approved investments for global establishments saw a significant jump in approved investment from the corresponding period last year with RM9.2 billion. A total of 83 projects proposing to make Malaysia their regional or global operations hubs were approved during the period of January to September 2021. These activities, which are expected to create new jobs for 3,760 knowledge-based or highly technical skilled workers, will also position Malaysia on course for greater integration into the global supply chain.

### **Primary Sector**

The primary sector contributed RM16.1 billion or 9.1 per cent to the total approved investments in January to September 2021, a 827 per cent jump from the corresponding period last year.

The mining subsector dominated with approved investments of RM16.0 billion, followed by plantation and commodities with RM84.8 million and agriculture at RM11.5 million. These investments are expected to create 304 jobs in the country.

Investments from domestic sources made up the bulk of the approvals with a total amount of RM12.6 billion or 78.3 per cent, while foreign investments contributed RM3.5 billion or 21.7 per cent.

The Government is fully committed to ensure sustainable recovery and equitable economic growth for our *Keluarga Malaysia*. MIDA, under the guidance of MITI, continuously strives to ensure the nation and the *rakyat* are the ultimate beneficiaries of the investments brought into the country. Looking towards 2022, the Government has lined-up strategic and focused trade and investment missions targeted to capture investments in high technology, innovation and research-driven industries that will complement the Malaysian industrial ecosystem.

This will build upon the 523 projects with proposed investments of RM37.2 billion in the manufacturing and services sectors that are within MIDA's pipeline as of 10 December 2021.

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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, Facebook, LinkedIn and YouTube.

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