



# Malaysia Remains Steadfast To Accelerate Quality Investments In 2021

***MDBC: Outlook 2021***  
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*04 February 2021*

# CONTENT OUTLINE

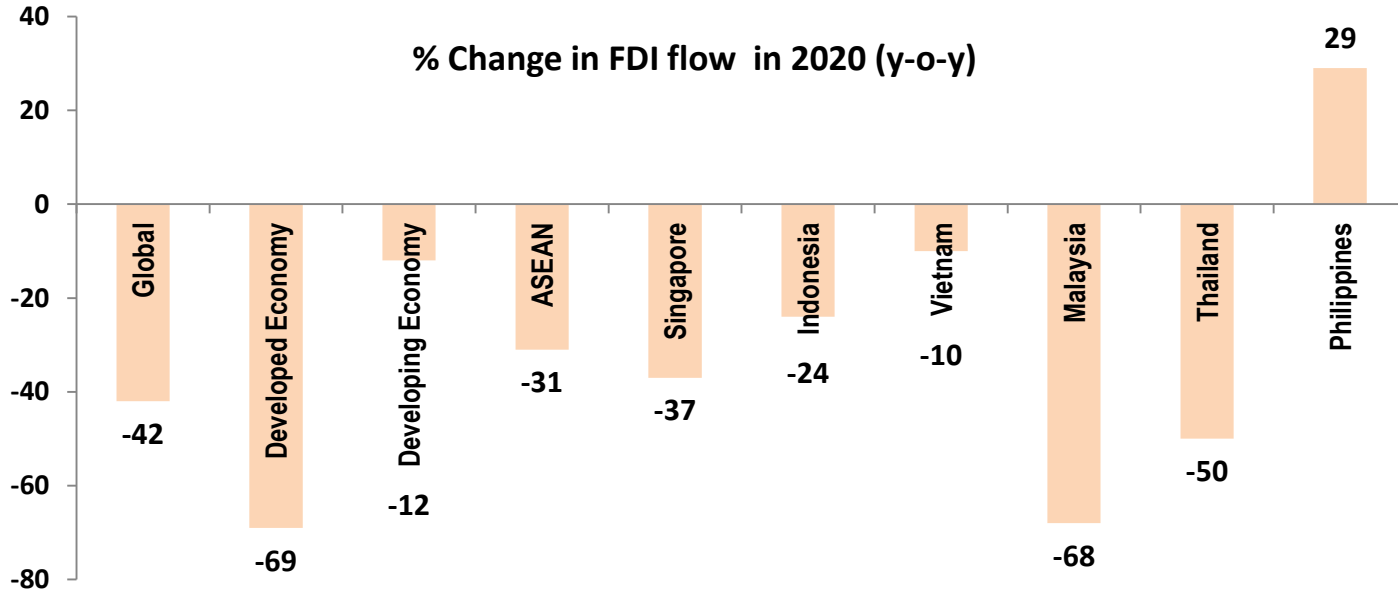
- **Hard Facts**  
Global FDI Inflows and Approved Investments
- **Welcoming Investors**  
One Stop Centre (OSC) for Business Travellers  
- A New Major Initiative

# Global FDI Inflows & Approved Investments



# GLOBAL FDI INFLOWS 2020

Balance of Payments (BOP)\Net FDI



Global FDI Inflow	2019	2020	% Change
Net FDI (US\$)	1.5 trillion	859 billion	42%

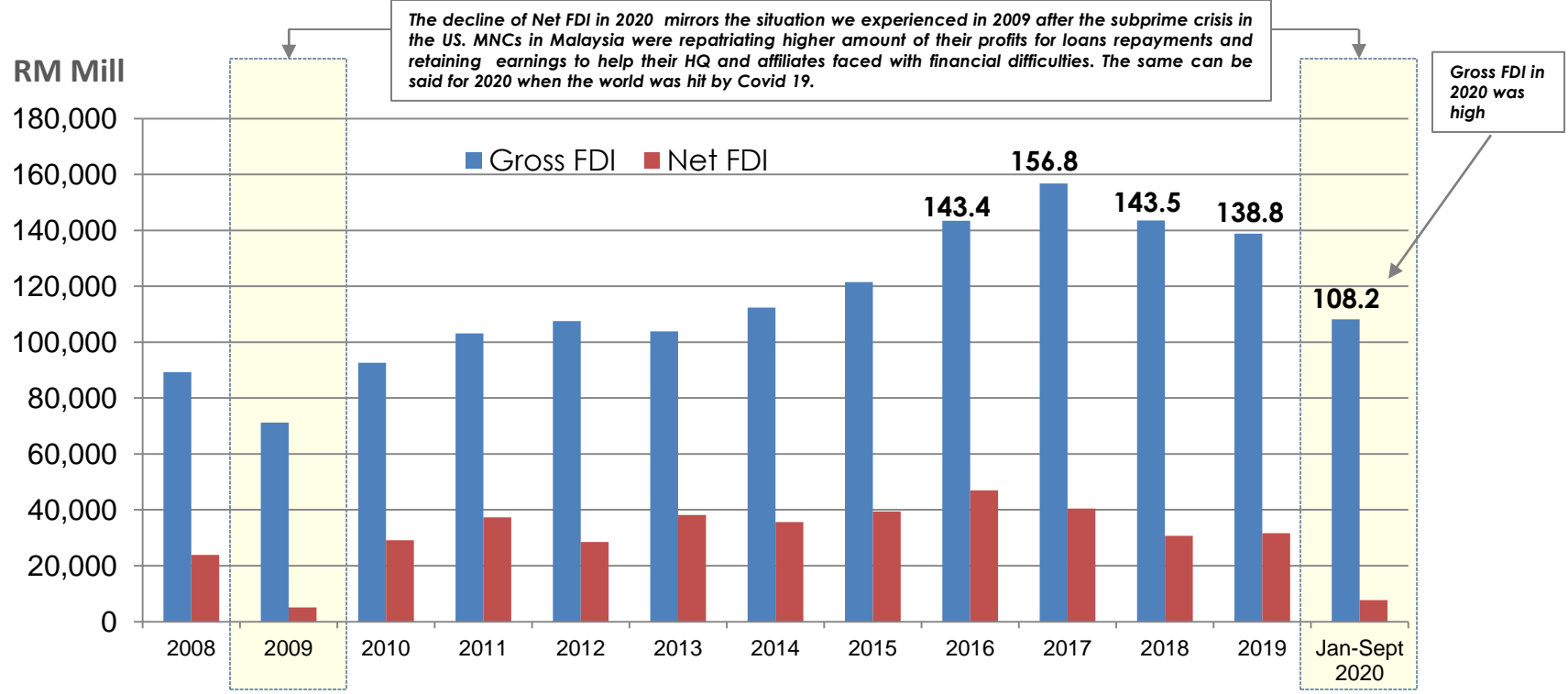
Source: UNCTAD

# GROSS FDI & NET FDI

- **Gross FDI** refers to inflow of funds or amounts received by direct investment enterprise in Malaysia from foreign direct investor (parent company) and affiliate in the form of equity capital, reinvested earnings, loan transactions, trade credits as well as other capital receipts.

- **Net FDI** refers to FDI flow after deduction of outflow of funds or amounts paid to foreign direct investor and affiliate from direct investment enterprise in Malaysia due to liquidation of investment, loan transactions, trade credits and other capital payments

# FDI INFLOWS INTO MALAYSIA 2020

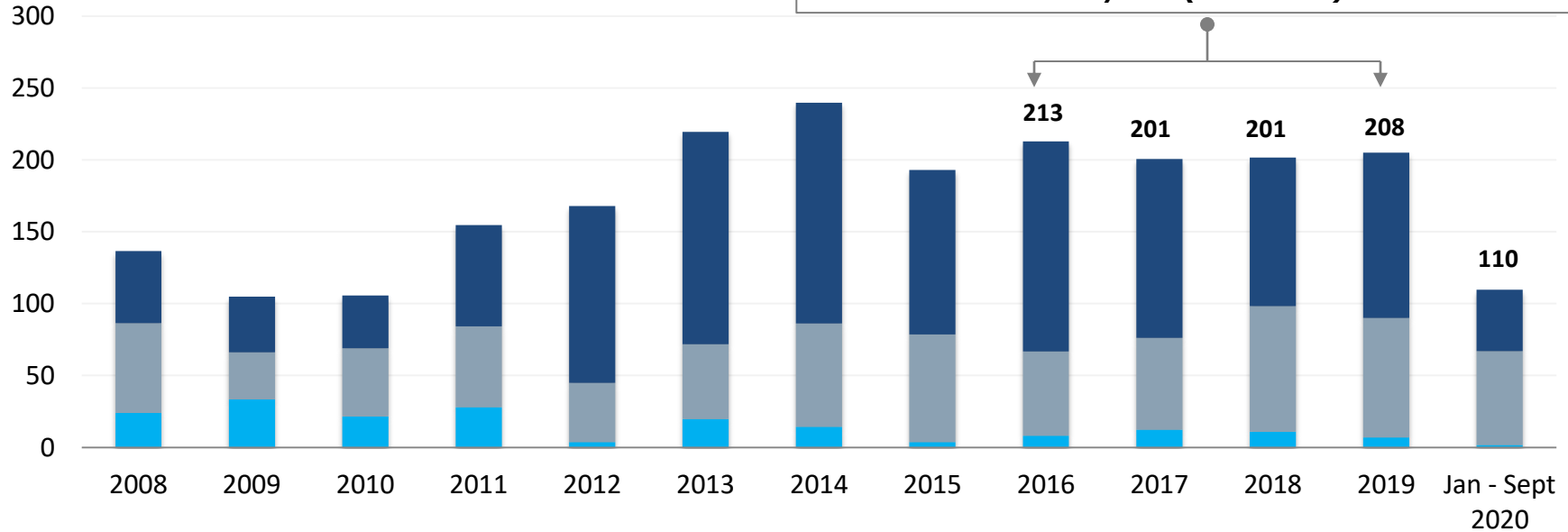


Source: BNM

# APPROVED INVESTMENT IN THE ECONOMY

(2008 – Sept 2020)

RM Bill.



Successfully attracted an average approval of RM200 bill of investments a year (2016-2019)

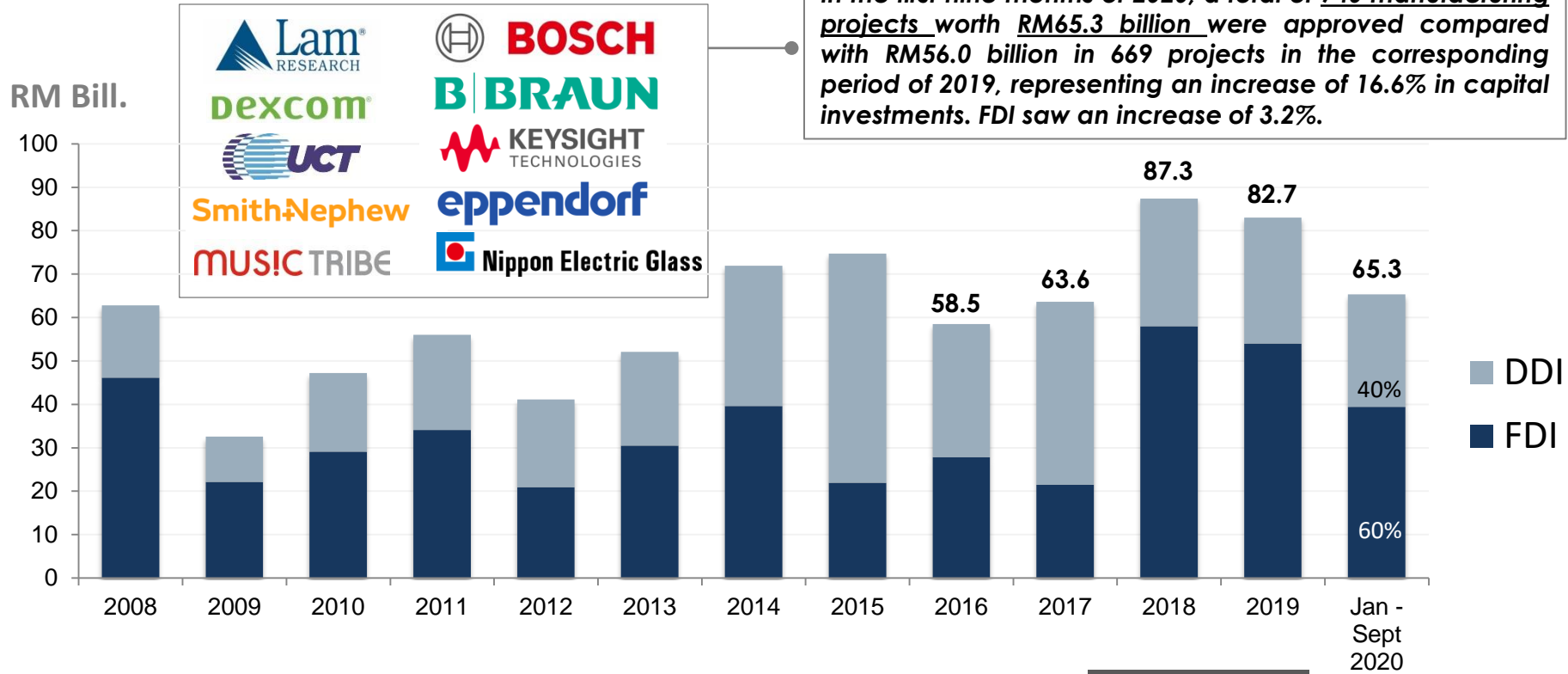
■ Primary ■ Manufacturing ■ Services

← 11<sup>th</sup> Malaysia Plan →

Source: MIDA

# APPROVED INVESTMENTS IN THE MANUFACTURING SECTOR

(2008 – Sept 2020)



Source: MIDA



# RELISED INVESTMENT (MANUFACTURING SECTOR)

(2015 – SEPT 2020)

- Out of 4,549 approved projects in 2015 - September 2020, **3,220 projects** were implemented with investments worth of **RM240 billion**.
- On average, **81.6%** of total projects approved have been implemented.

## Initiatives To Accelerate Project Implementation

- Establishment of Project Acceleration Coordination Unit (PACU).
- Enhancing SOPs by simplification of format, process, procedures.
- Regular engagements with relevant stakeholders.
- Digitalised Investor Care Services programs to record real time progress of companies and assist Account Managers for better monitoring and facilitating the companies.

# MOVING FORWARD Investment Target 2021

*Looking ahead, FDI into Malaysia is expected to be sustained at pre-COVID level.*

High Profile Leads

**RM89.4 Billion**

Pipeline Projects

**RM47.7 Billion**

An aerial photograph of a city square, likely in Munich, Germany. The central focus is the New Town Hall (Neues Rathaus), a large Gothic building with a tall, ornate clock tower (Uhrenturm) featuring a clock face. The square is paved and filled with people. Surrounding the square are various buildings with red-tiled roofs. In the background, the city extends to the horizon under a clear blue sky. A red vertical bar is on the left side of the image.

**Welcoming Investors**

*One Stop Centre for Business Travellers*

# CHALLENGES AHEAD



**BANK NEGARA MALAYSIA**  
CENTRAL BANK OF MALAYSIA



MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY



**DEPARTMENT OF STATISTICS MALAYSIA**  
MINISTRY OF ECONOMIC AFFAIRS



## Global FDI Inflow

UNCTAD predicted that the pandemic to drive down global FDI flows by 30%-40% in 2020 due to the economic fallout from COVID-19. Global FDI flows fell **49% in the first half of 2020** compared to 2019.

**FDI is projected to decrease by a further 5% to 10% in 2021** and to initiate a recovery only in 2022



2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

## Malaysia GDP

Bank Negara Malaysia projects GDP to be at the range of **-3.5% and -5.5%** in 2020.

This is mainly due world growth forecasts and the unprecedented length of the movement control order (MCO)

**IMF has forecasted 7% growth for 2021**

## Investment Projects

Getting **approved** projects **off the ground** **2018-2019**

241 Manufacturing Projects  
FDI: RM52.7 Billion  
**2020 (Jan-Sep)**

740 Manufacturing Projects  
FDI: RM39.4 Billion

New Projects  
**Leads : RM89.4 Billion**  
**Pipeline: RM47.7 Billion**

## Unemployment Rate

**Unemployment rate** remained at **4.7%** in **August 2020** which represents around **741,600 unemployed persons** in Malaysia



# BUSINESS TRAVELLERS ENTRY MECHANISM

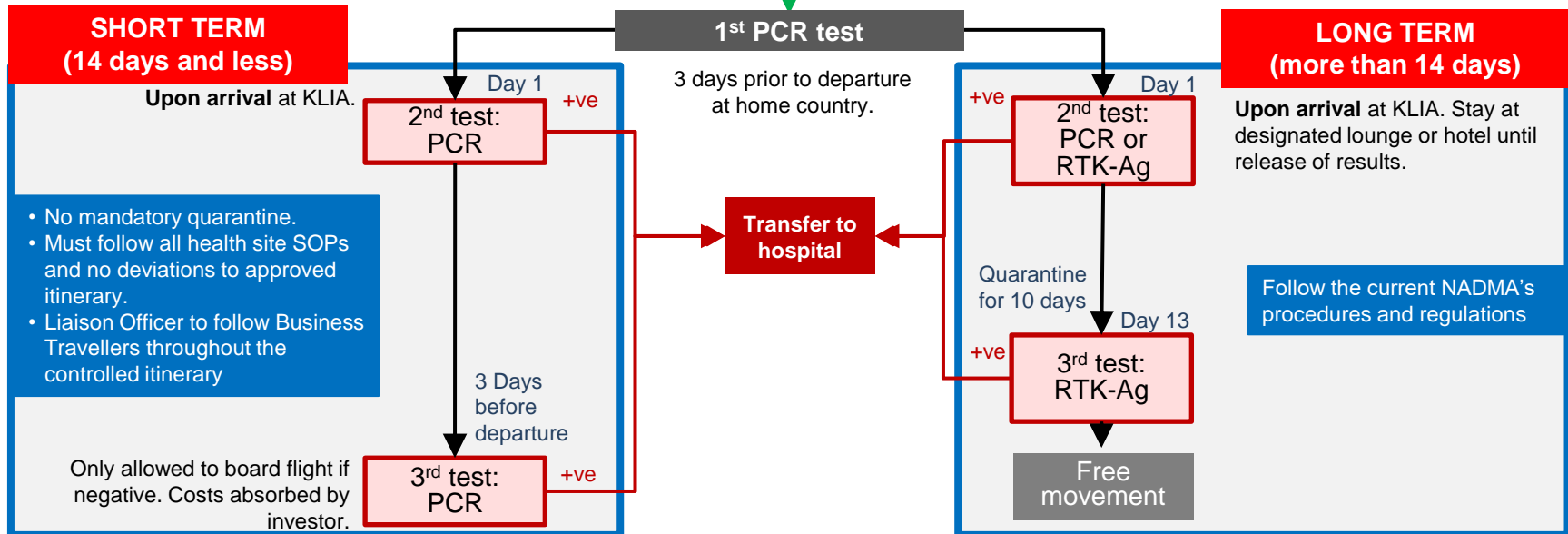
Submit **business travel application** and **daily itinerary plan** to **One Stop Centre**, 14 days prior to departure. To Specify Short Term and Long Term stay.

### National SOPs apply

- MySejahtera
- Masks
- Safe distancing
- Hand hygiene

Decision within 3 working days

**APPLICATION APPROVED**



# TYPES OF BUSINESS TRAVELLERS

## Long Term Stay

### MY ENTRY SYSTEM

- Frequent Foreign Business Travellers (Exit Return)
- New and Existing Expatriates (Stranded Abroad)
- Foreign Technical Experts (PVP)

### MY TRAVEL PASS SYSTEM

- Social Visit Pass Holders (15-90 days)
- Frequent Malaysian Business Travellers (Exit Return)
- Permanent Resident Pass Holders (PR)
- Malaysia My2nd Home Social Visit Pass Holders (MM2H)

## Short Term Stay

### MY ENTRY SYSTEM

- Potential Investors
- Existing Investors (Chairman/Board members/etc)
- Technical Experts
- Business Customers

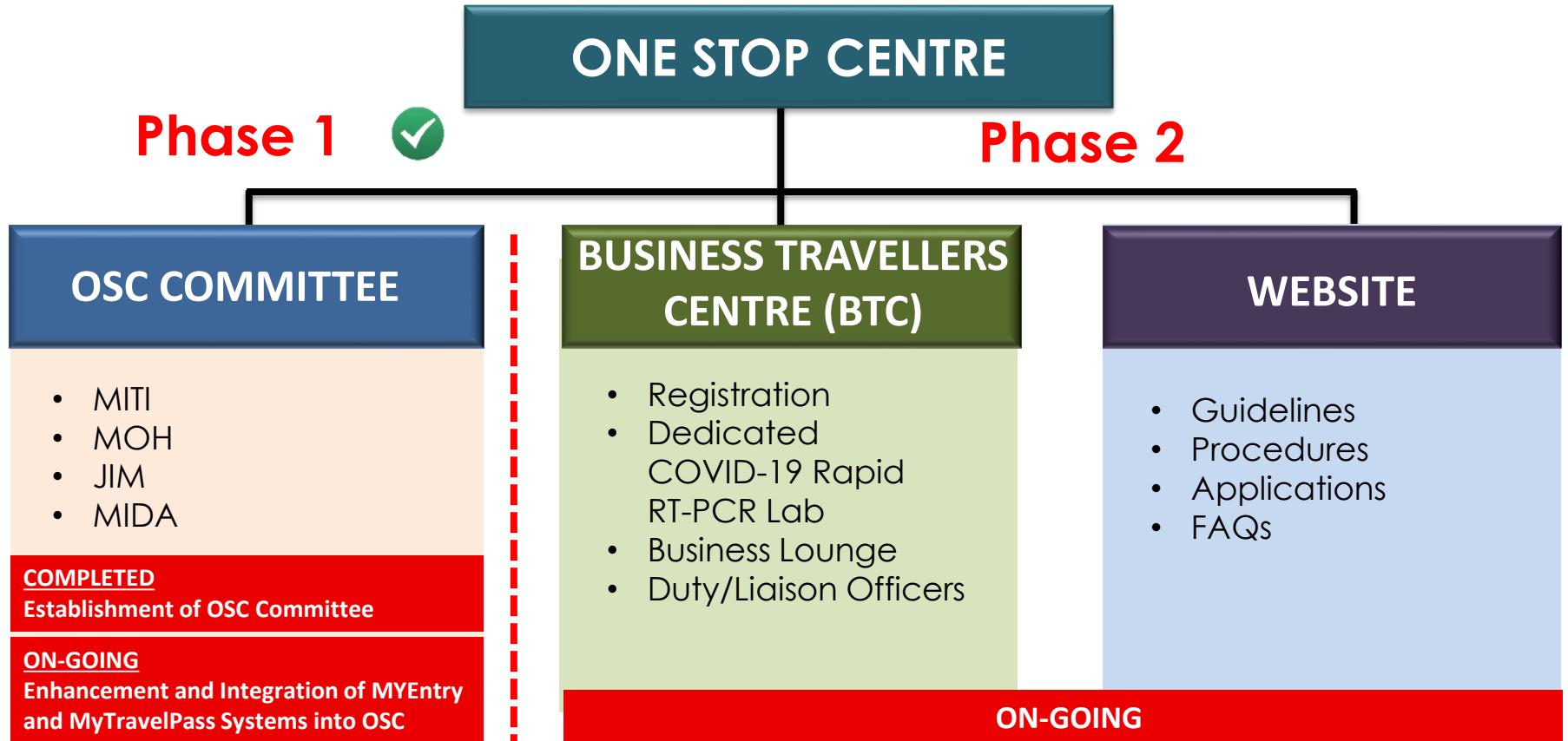
Phase 1

Implemented

Phase 2

Ongoing

# STRUCTURE OF OSC



# OSC Committee has commenced effective 2<sup>nd</sup> October 2020

The OSC Committee meeting is held on a **daily basis** and managed by MIDA, with representatives from:



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY



Ministry of Health Malaysia



This Centre will assume a critical role in ensuring that Malaysia remains on track to economic recovery and growth, by enabling executive and essential personnel to travel to, and continue their work in, Malaysia.



5,932

## LONG TERM BUSINESS TRAVELLERS

Applications Evaluated via MYEntry System

(as at 2<sup>nd</sup> Feb 2021)

48

## SHORT TERM BUSINESS TRAVELLERS

Applications evaluated manually as the enhancement of the MYEntry System and establishment of BTC are in progress.

(as at 2<sup>nd</sup> Feb 2021)





# ARTIST IMPRESSION OF BTC

(AERIAL VIEW - GROUND FLOOR)

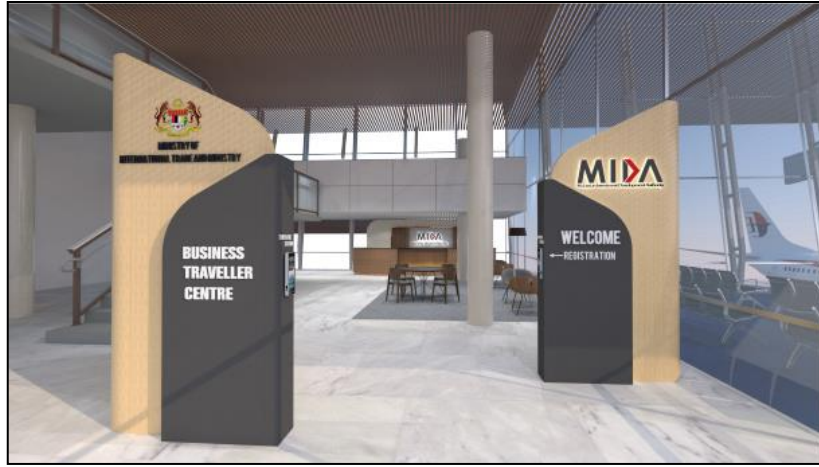


# ARTIST IMPRESSION OF BTC

(AERIAL VIEW - UPPER FLOOR)



# ARTIST IMPRESSION OF BTC (GROUND FLOOR)



# ARTIST IMPRESSION OF BTC (UPPER FLOOR)



# OSC WEBSITE

**MIDA** Safe Travel

Entry Permission · About OSC · Welcome Centre · Resources · FAQ · Contact Us

Short Term Long Term

Announcement Download

## Welcoming Investors, Keeping you safe

Malaysia is gradually reopening its borders. Your business is important to us, and so is your health. Entry permissions for business travellers allow people who can contribute to Malaysia's economy to enter while prioritising public health and safety.

### How long will you be staying in Malaysia?

#### Short Term

Learn more about the guidelines and process flow

Apply for the Entry Permission Approval

For all Business Travellers type

Learn More

Learn More

#### Long Term Stay

Learn more about the guidelines and process flow

Apply for the Entry Permission Approval here

For: EP/PP/PP-T

Learn More

For: PR/PM/PL/Malaysia Exit-Return/Social Visit Pass (15-90 days)

Learn More

### Business Travellers Centre

The Business Travellers Centre is a dedicated point of entry to expedite business travellers with the relevant information and guidelines. These centres are located before the Immigration Counters and can be found at the following entry point:

» Kuala Lumpur International Airport (KLIA)

Find Out More

### ARRIVAL

Welcome

**Target Completion Date**  
**Feb 2021**

**THANK YOU**

