

MITI Announced the Aerospace and Shipbuilding & Ship Repair Industries Performance 2018 at the 15th Edition of the Langkawi International Maritime and Aerospace Exhibition 2019

The Ministry of International Trade and Industry (MITI), through the National Aerospace Industry Coordinating Office (NAICO) is leading the aerospace industry development and the implementation of the Malaysian Aerospace Industry Blueprint 2030.

The Blueprint 2030 launched in 2015 covers strategies and initiatives to develop the competitiveness of the Malaysian aerospace industry. Malaysia aims to become the leading aerospace nation by 2030 whereby the industry is targeted to generate an annual revenue of USD4.3 billion (RM55.2 billion) and create 32,000 jobs.

The Government views the aerospace industry as a critical sector that offers abundant opportunities for the transfer of advanced technologies in engineering, electronics, composite materials, systems integration, MRO and industry-led Research & Technology. This is in line with the Eleventh Malaysia Plan (11MP) where the aerospace industry has been identified as one of Malaysia's key strategic focus sectors.



In 2018, the Malaysian aerospace industry recorded a total revenue of RM14.4 billion. The industry managed to maintain positive growth since the implementation of the Blueprint 2030 led by NAICO, MITI. A total of 24,500 highly skilled workers are currently serving the industry. The aerospace manufacturing sub-sector remained the main contributor to the industry with 48% revenue and has recorded the highest value at RM6.97 billion, an increase of 8.3% compared with 2017. The MRO sector recorded RM6.68 billion revenue representing 46% of the total revenue.

Aerospace exports also recorded the highest value of RM8.48 billion compared to previous years with an increase of 20.7% from 2017. Among the locally manufactured aerospace products for export include Fan Cowl, Fan Casing, Thrust Reverser, Forward Leading Edge, Aircraft Door, Avionics Equipment and Carbon Brakes.

In terms of investments, eleven (11) aerospace projects with total investments of RM816.3 million were approved in 2018, of which 41% were foreign investments. The approved projects are expected to generate a total of 2,442 employment opportunities.

The quality investments and strong market demand have also accelerated the local supply chain. Currently, Malaysia is one of the critical suppliers for aircraft structure components mainly for Airbus and Boeing. Malaysia has become an important source for composite and metallic components for the OEMs, led by local champions namely Composites Technology Research Malaysia (CTRM) Sdn. Bhd., SME Aerospace Sdn. Bhd. and UMW Aerospace Sdn. Bhd.

In accelerating the development of the Malaysian aerospace industry, the Government has developed a number of initiatives at both federal and state level. MIDA has undertaken Industrial Linkages Programme on aerospace for companies to explore business and investment opportunities through strategic partnerships and joint ventures. MATRADE will be executing a number of businesses matching for Malaysian companies with potential foreign buyers to promote Malaysian exports and to expand Malaysia's foot print globally in the aerospace industry.

SIRIM, an agency under MITI is developing its capability to become the region's first AS9100 Certification Body to enable more local companies to enter the global aerospace market. SIRIM is also exploring opportunities to develop a dedicated centre for aerospace testing, inspection and calibration.

In terms of human capital development, NAICO, MITI is collaborating with the Malaysia Board of Technologists (MBOT) to promote the development of Professional Technologists and Certified Technicians for aerospace industry. NAICO is also working with MBOT in drafting the Technical Program Accreditation regulated by MBOT.

At the state level, several states namely Selangor, Kedah and Negeri Sembilan have highlighted their initiatives to support the Blueprint 2030. Selangor has recently announced an action plan known as Selangor Aerospace Action Plan covering 7 areas with 30 action items. Kedah has launched a plan to develop Kulim International Airport that will become the catalyst to position Kedah as one of the leading aerospace states in Malaysia. Negeri Sembilan has developed a comprehensive development plan focusing on aerospace industry under the Malaysia Vision Valley (MVV) project.

Meanwhile the Shipbuilding and Ship Repair (SBSR) industry in Malaysia, which is a subset of the marine industry, employs around 13,000 people. Revenue of the SBSR industry in Malaysia can be divided into five (5) contributing groups namely shipyard, classification, manufacturer, design and manufacture, repair and overhaul (MRO). Total revenue of the SBSR industry in 2018 was RM7 billion. Shipyard recorded the highest revenue of RM4.93 billion from 77 companies in 2018.

Since 2016, SBSR exports have also been on an increasing trend. In 2018, exports increased to RM1.29 billion compared with RM1.08 billion in 2017 which is a significant growth of 20 per cent. Exports were in light vessels, dredger, floating dock and cargo ship mainly to Australia, Indonesia, Thailand and the USA.

In 2018, two expansion projects were approved in the SBSR industry, with total investments amounting to RM33 million. These wholly Malaysian-owned projects are expected to create 51 new jobs. Apart from shipbuilding and repair activities, Malaysia is also known for training and education services. Expanding the SBSR business, Malaysia shall look at other opportunities in the SBSR industry particularly in ship design; parts and components manufacturing; system integration; and other marine equipment production.

"The long term prospect of both industries remains bright whereby Malaysia's competitiveness can be sustained through various measures including developing new competencies through Research & Technology, forming strategic partnership with international and regional players for greater impact and through adopting Industry 4.0 and digital technology", said Datuk Darell Leiking, the Minister of International Trade & Industry.

"We are confident the aerospace industry will continue to be a vibrant and thriving industry in the years to come, given that the Asia Pacific Region is expected to have the highest growth in new aircraft delivery for the next decade. The SBSR industry too has potential to grow as businesses can look at new areas of maritime and marine equipment products", he added.

Ministry of International Trade & Industry
26 March 2019

MITI @ Langkawi International Maritime and Aerospace Exhibition 2019



Asia Pacific's premier Maritime and Aerospace showcase, LIMA is back! With more than 30 countries already confirming their participation, this year's edition is gearing up to be the biggest yet! The Ministry of International Trade and Industry through the National Aerospace Industry Coordinating Office (NAICO), MIDA and SIRIM will be on hand to promote and showcase the best Malaysia has to offer.

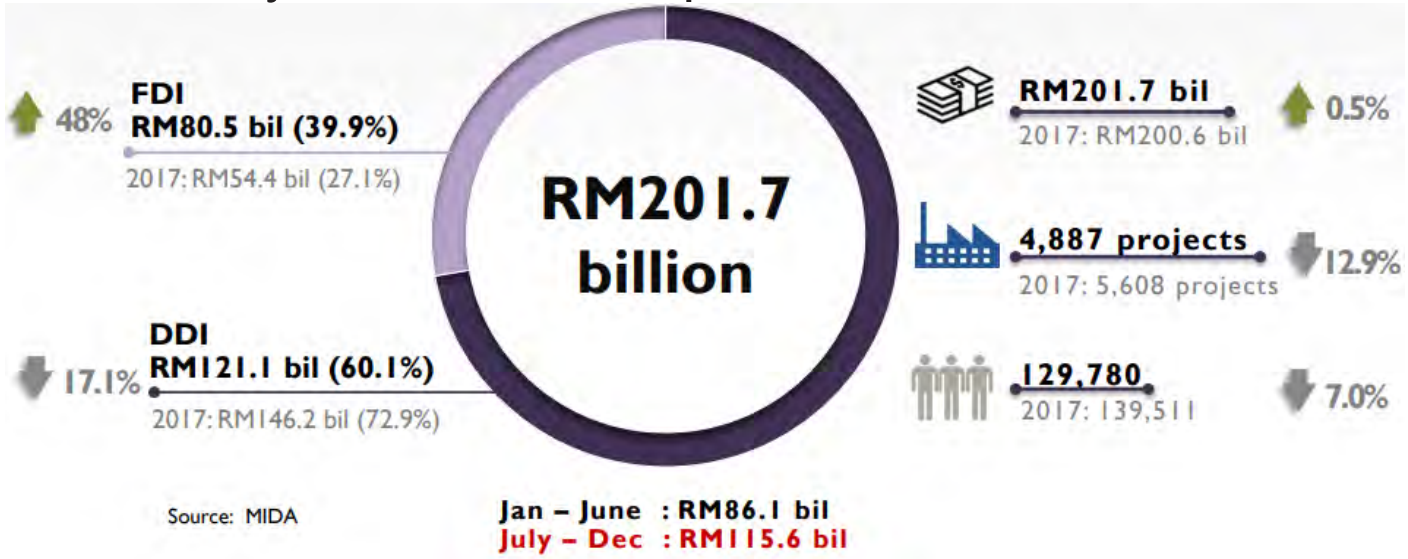


Prime Minister, Tun Dr. Mahathir bin Mohamad, in his official opening address remarked that to achieve the target of making Malaysia the leading aerospace nation in South East Asia and an integral part of the global market - as spelt out under the Malaysia Aerospace Industry Blueprint 2030, MITI, through the National Aerospace Industry Coordinating Office (NAICO) has implemented various aerospace industry development initiatives - covering industry facilitation, local supply chain development, competency development, Research & Technology (R&T), international collaboration and human capital development.

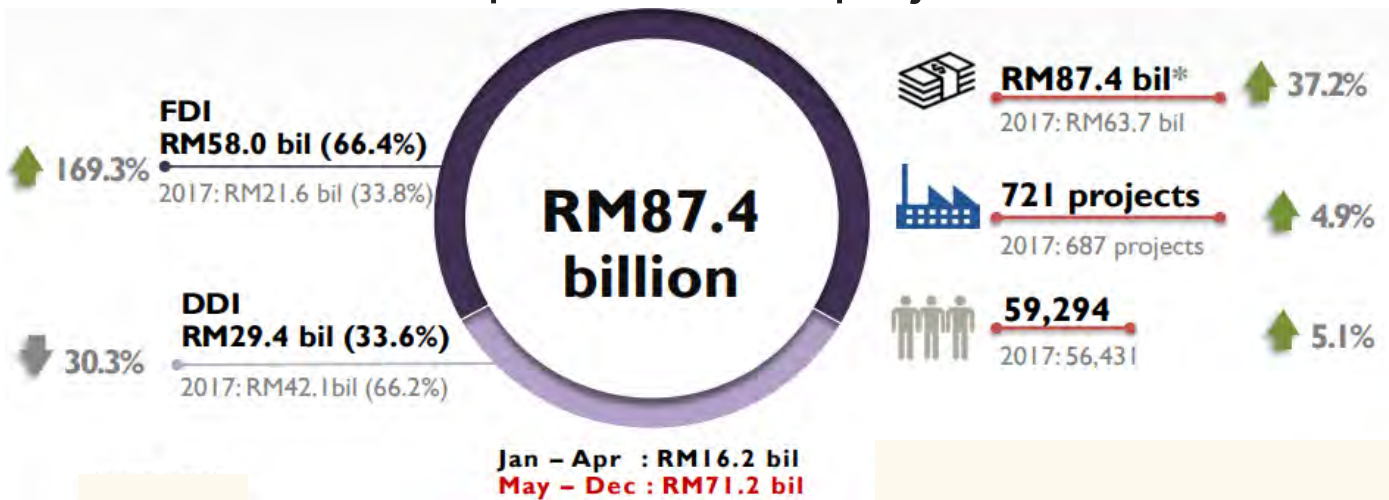


Approved Investments in 2018

Total **approved investment** in the second half year rose by **34.3%** as compared to the first half 2018.

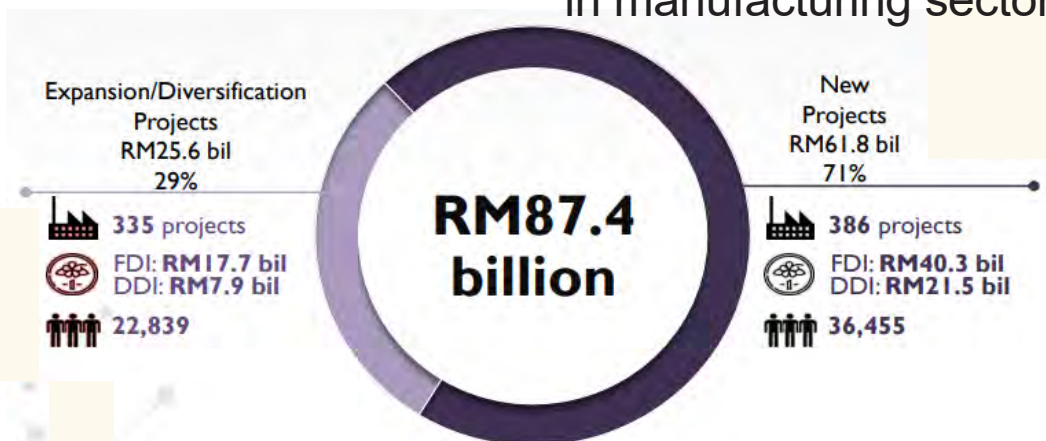


Approved investments in the **manufacturing sector** increased by **37.2%** year-on-year, supported by a number of capital intensive projects.



New & expansion/diversification projects approved in manufacturing sector

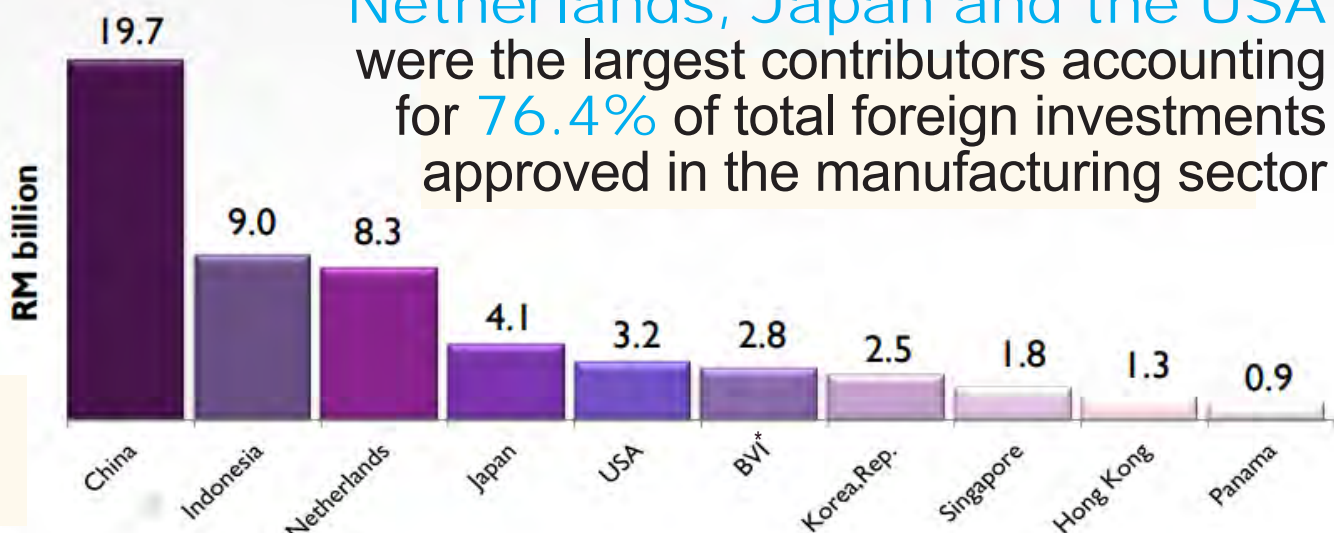
Malaysia remains a **favourable** investment destination



Source: Malaysian Investment Development Authority

Approved Investments in 2018

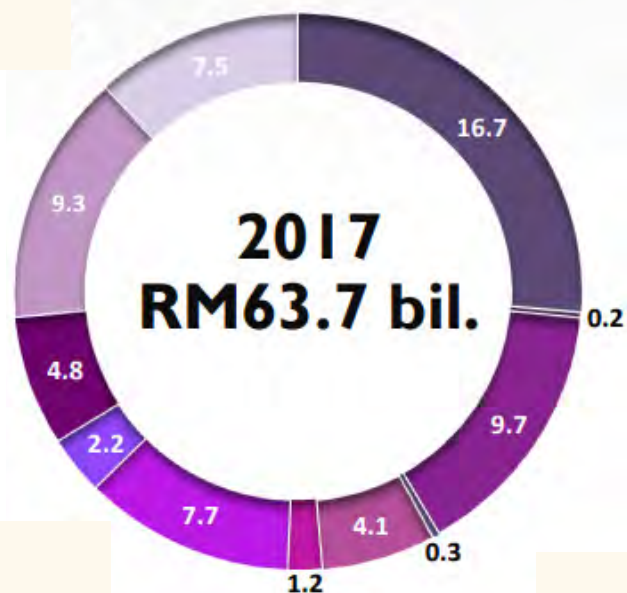
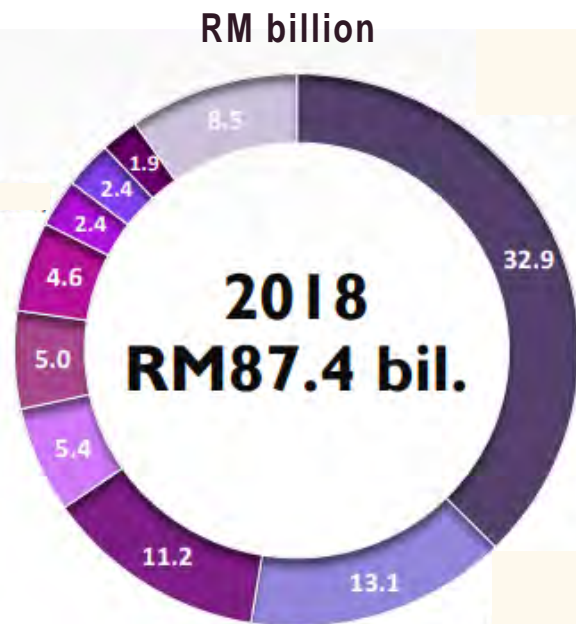
China, Indonesia, the Netherlands, Japan and the USA were the largest contributors accounting for 76.4% of total foreign investments approved in the manufacturing sector



Note: *BVI= British Virgin Islands

Manufacturing Investments by Industry

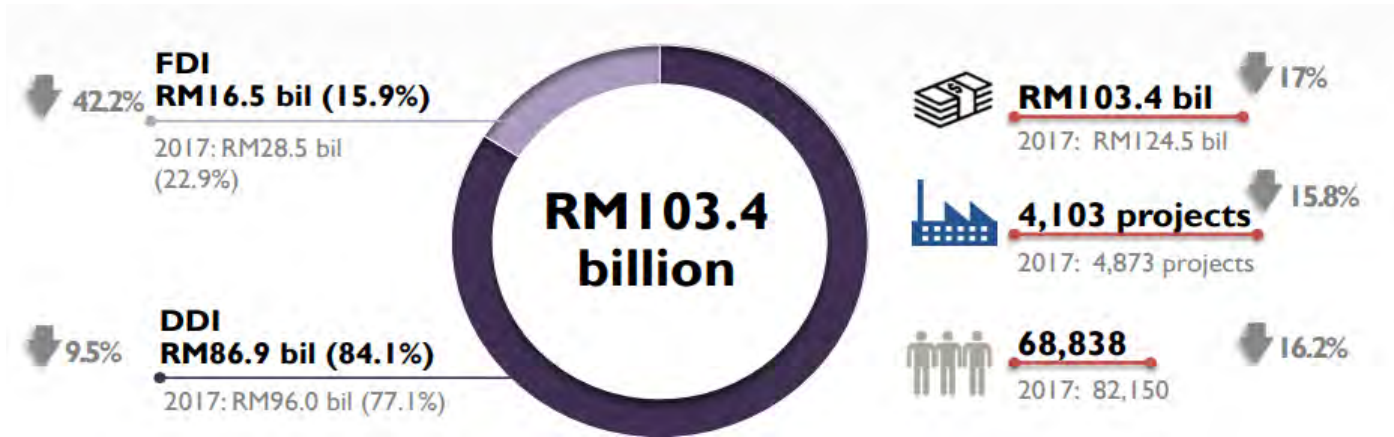
- Petroleum Products (inc. Petrochemicals)
- Basic Metal Products
- Electrical & Electronic Products
- Paper, Printing & Publishing
- Chemical & Chemical Products
- Rubber Products
- Non-Metallic Mineral Products
- Machinery & Equipment
- Transport Equipment
- Natural Gas
- Others



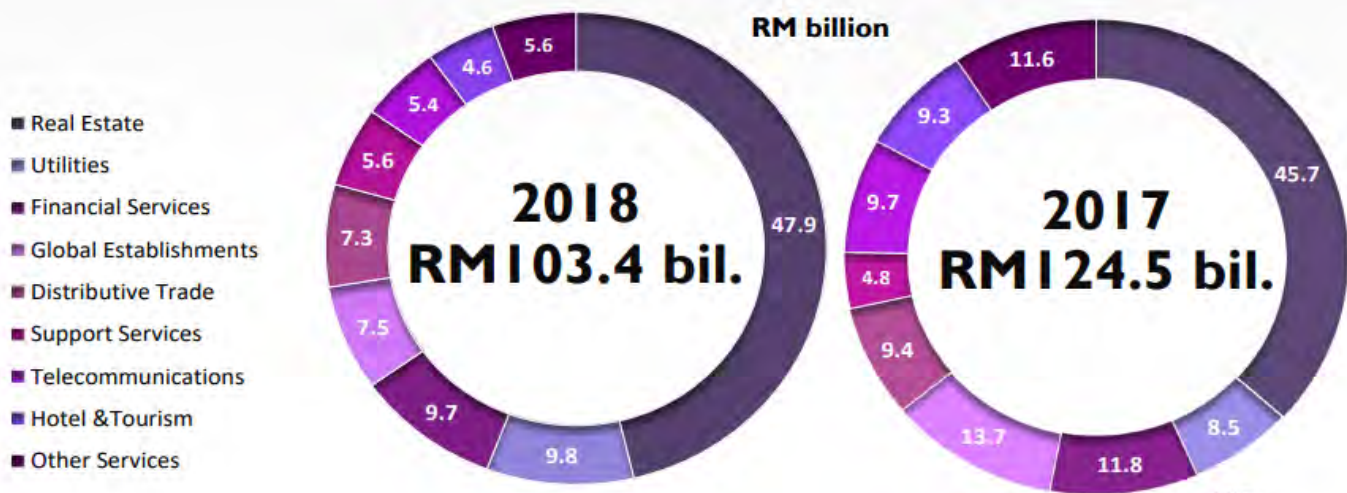
Source: Malaysian Investment Development Authority

Approved Investments in 2018

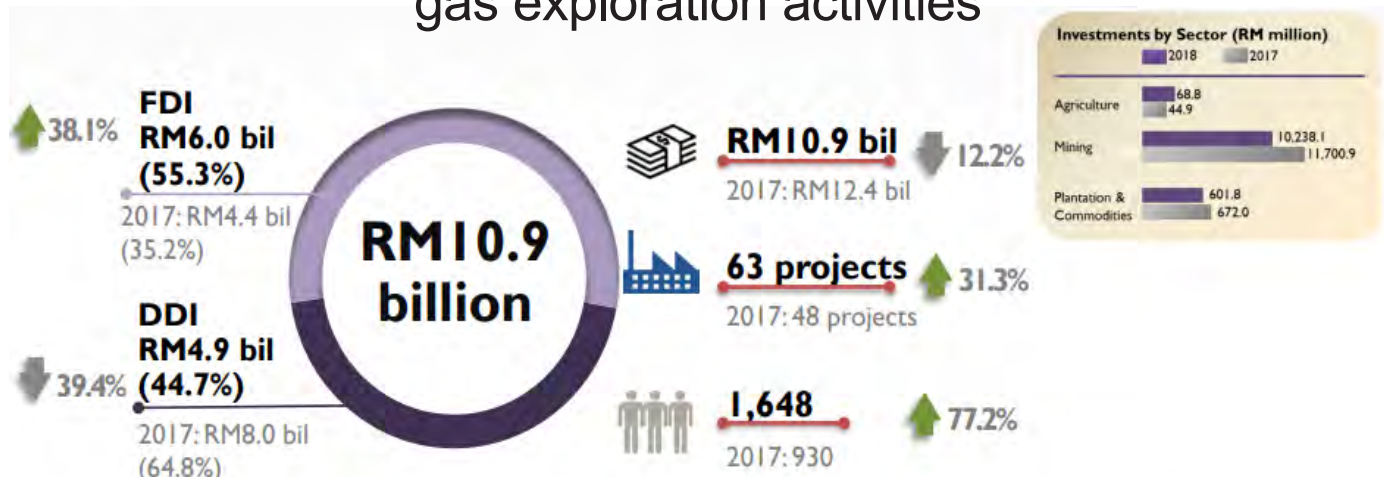
Approved investments in the **services sector** continued to be the cornerstone of the nation's economic growth as it was the **largest contributor** to the total approved investments in 2018



Services Investments by Subsector



Approved investments in the **primary sector** registered a decrease of 12.2% largely due to lower investment in oil and gas exploration activities



Source: Malaysian Investment Development Authority



Asia-Pacific Economic Cooperation

Mexico Economic Indicators 2017

61.1% Employment in Services
25.8% Employment in Industry

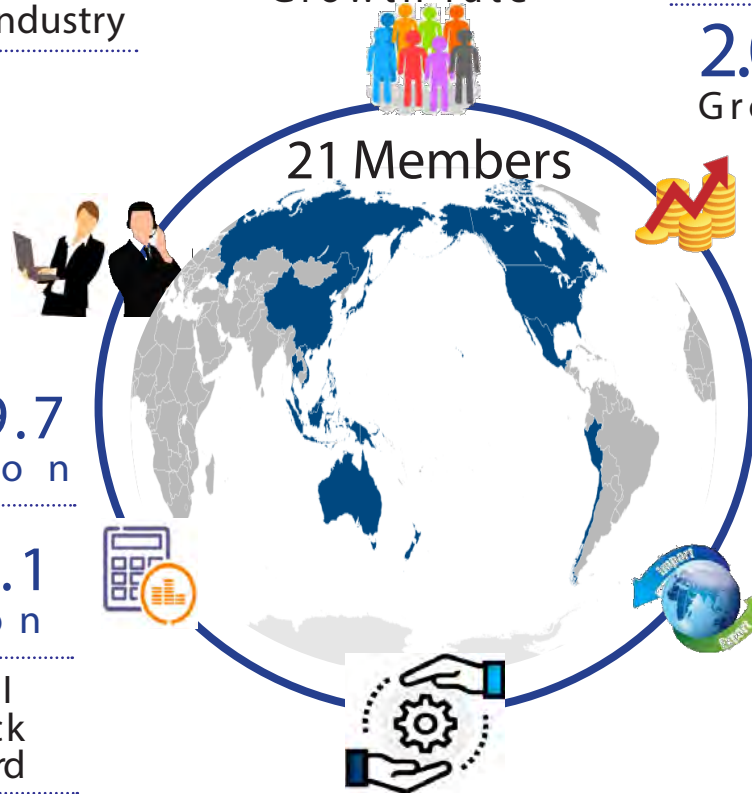
13.1% Employment in Agriculture

129.2 million Population

1.3% annual Growth rate

US\$1.28 trillion GDP at constant prices

2.0% annual Growth rate



FDI Flow Inward US\$29.7 billion

FDI Flow Outward US\$5.1 billion

US\$489.1 billion FDI Stock Inward

US\$180.1 billion FDI Stock Outward

US\$262.2 billion Commercial Services Exports

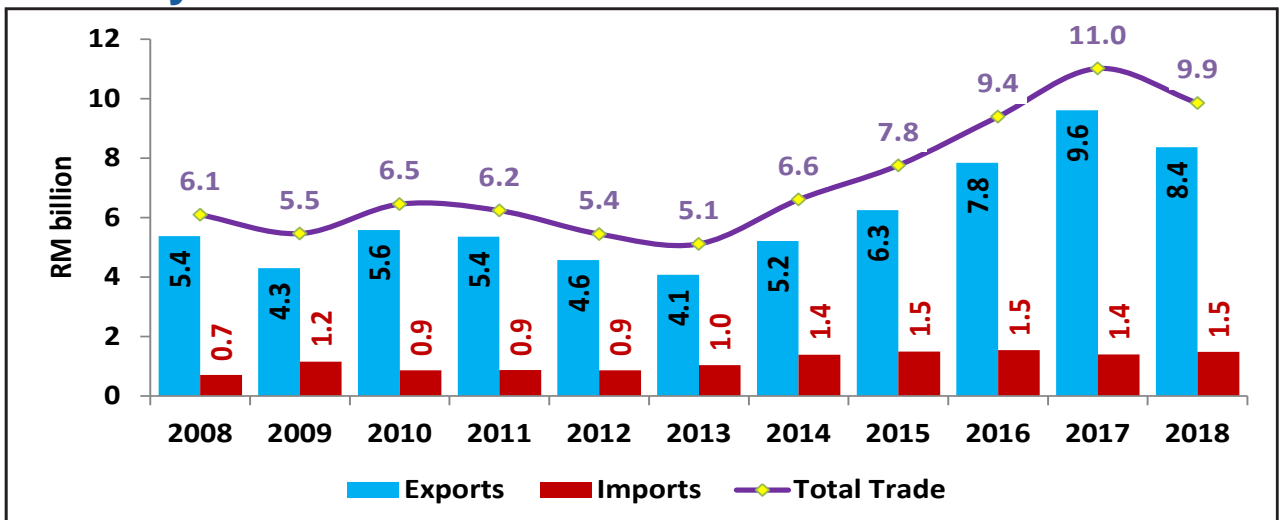
US\$36.7 billion Commercial Services Imports

US\$409.4 billion Merchandise Goods Exports

US\$432.2 billion Merchandise Goods Imports

Source: www.statistics.apec.org

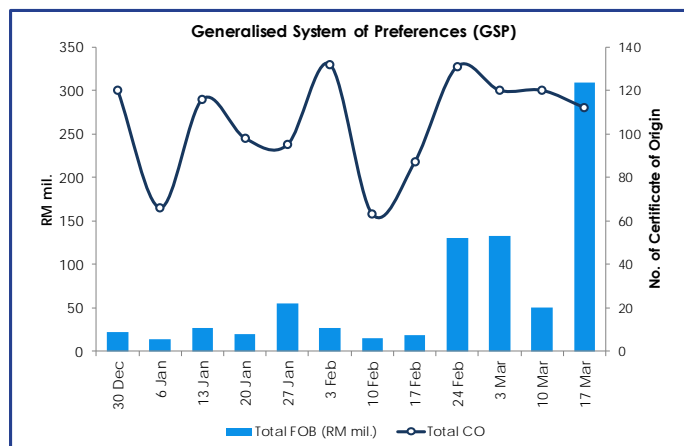
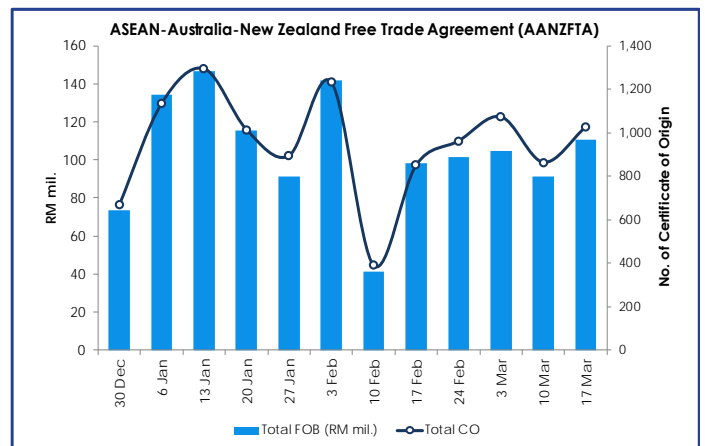
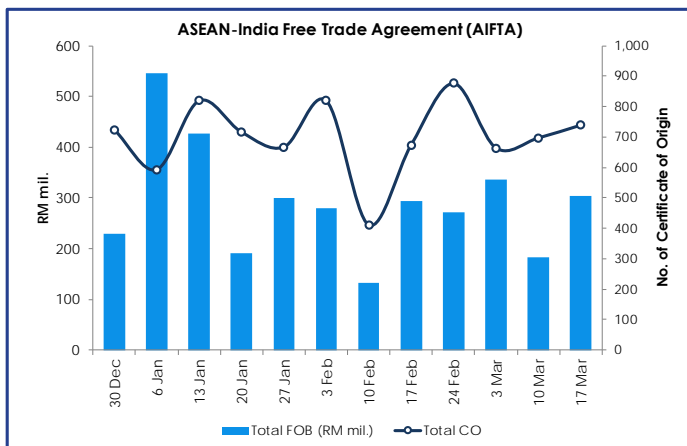
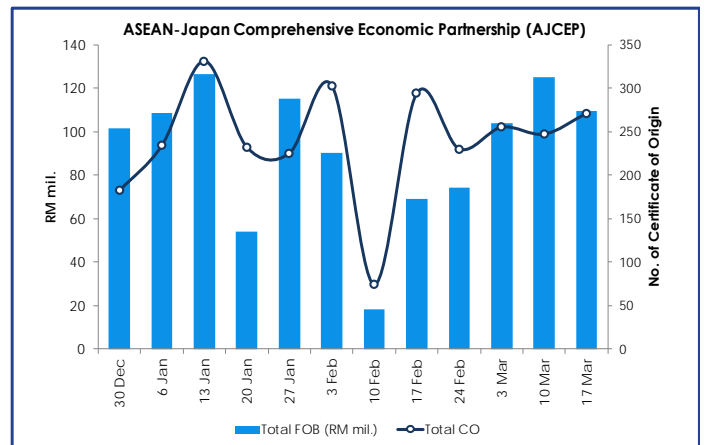
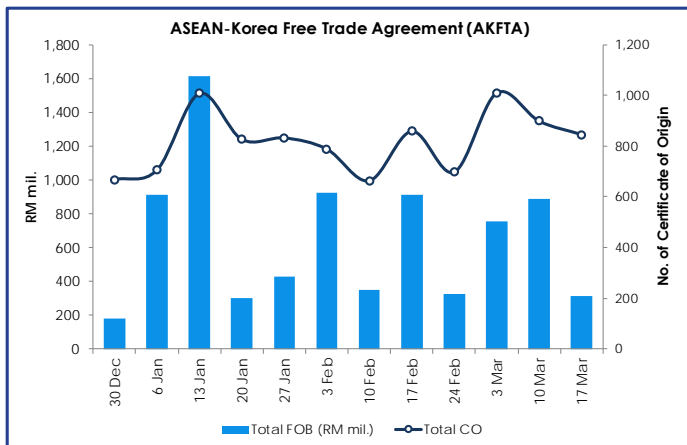
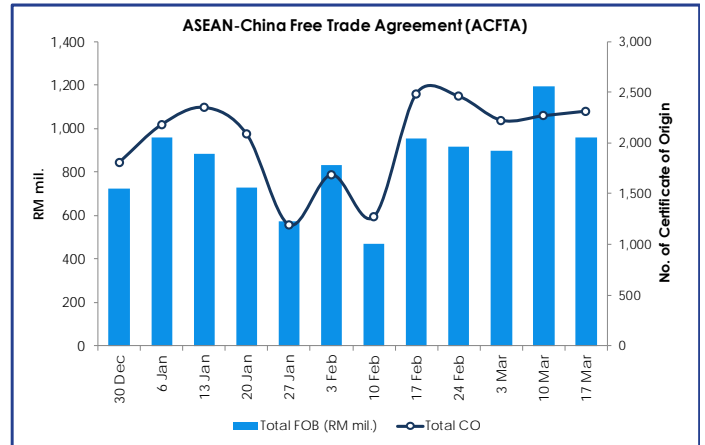
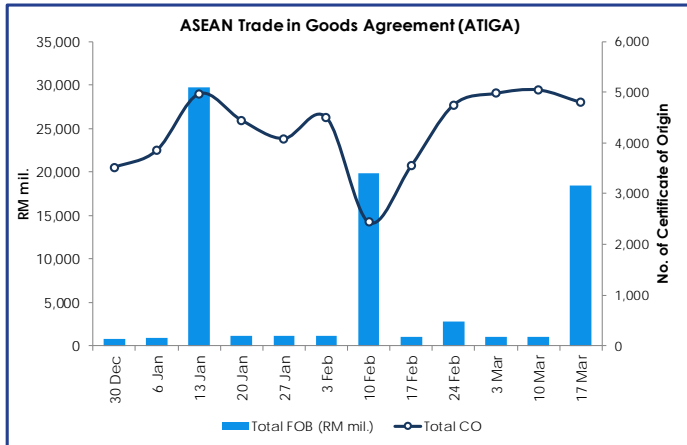
Malaysia's Trade with Mexico 2008 - 2018



Source: Department of Statistics, Malaysia

International Statistics

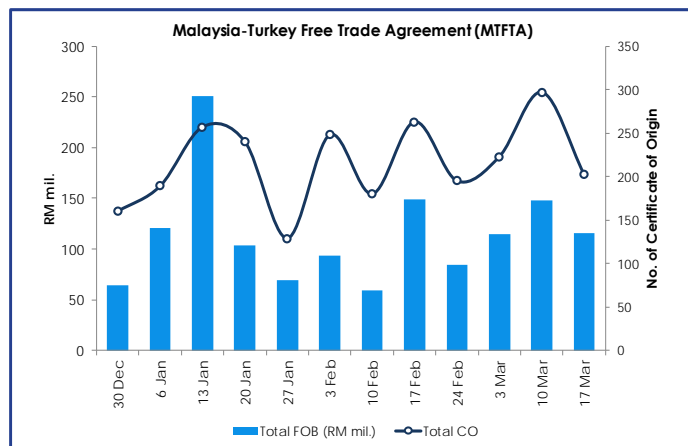
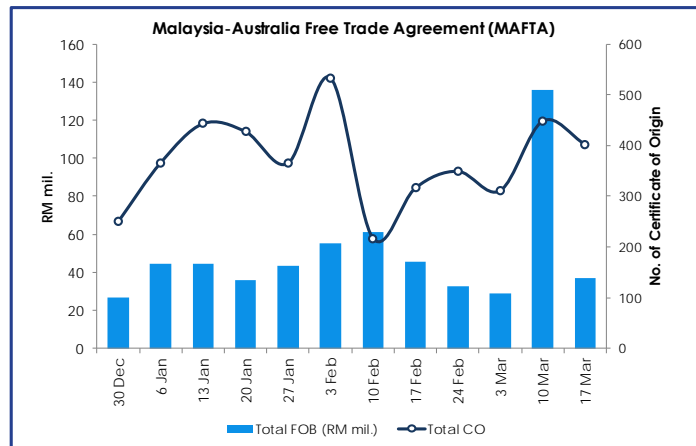
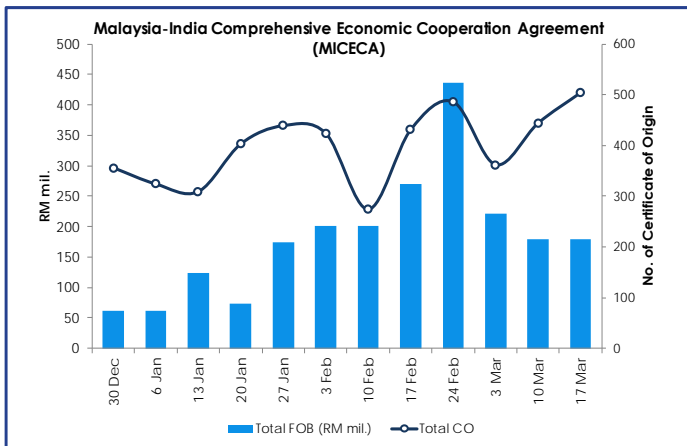
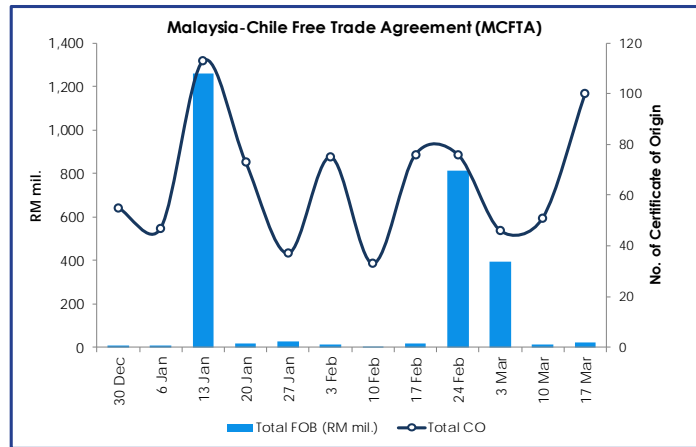
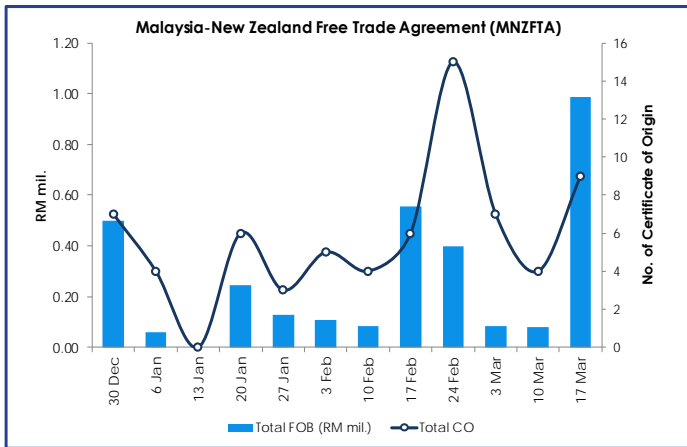
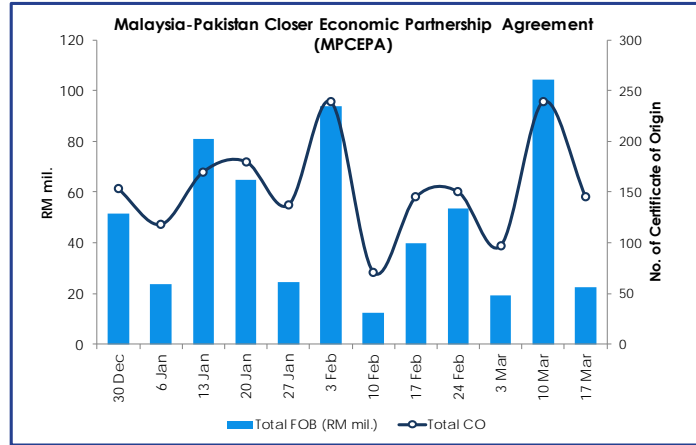
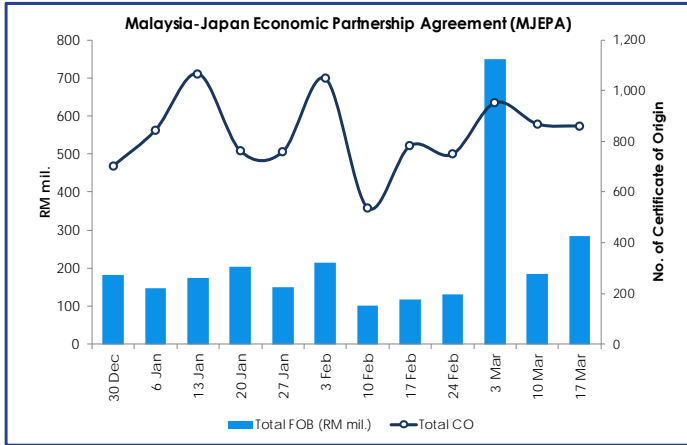
Number and Value of Preferential Certificates of Origin (PCOs)



Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

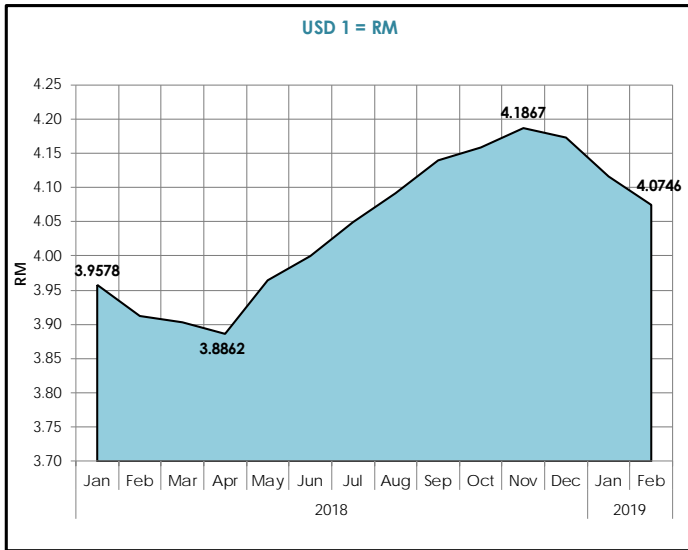
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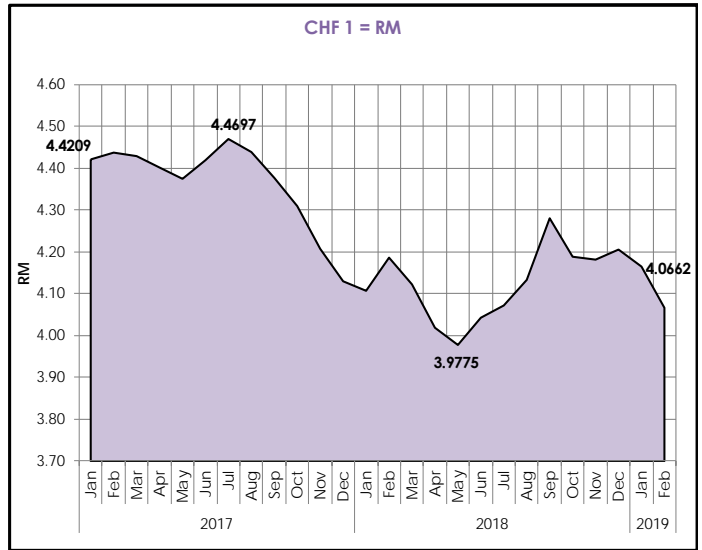
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2018 - February 2019

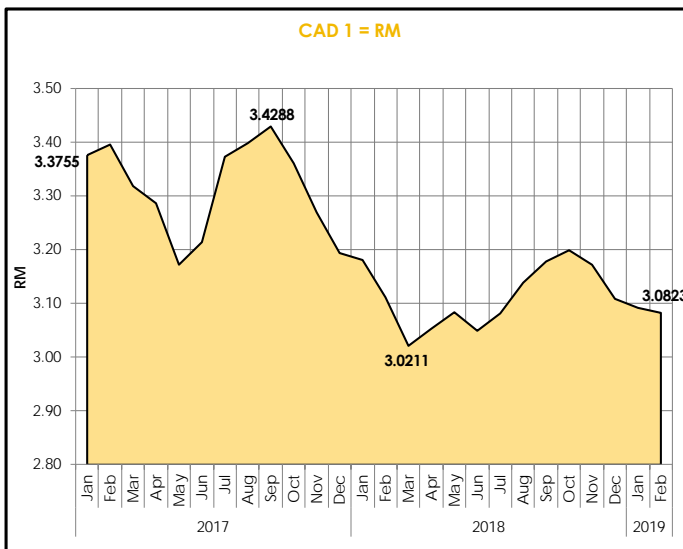
US Dollar



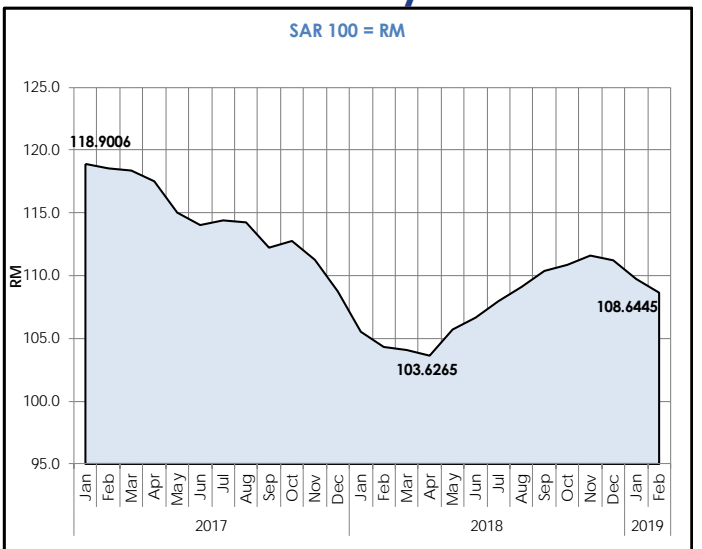
Swiss Franc



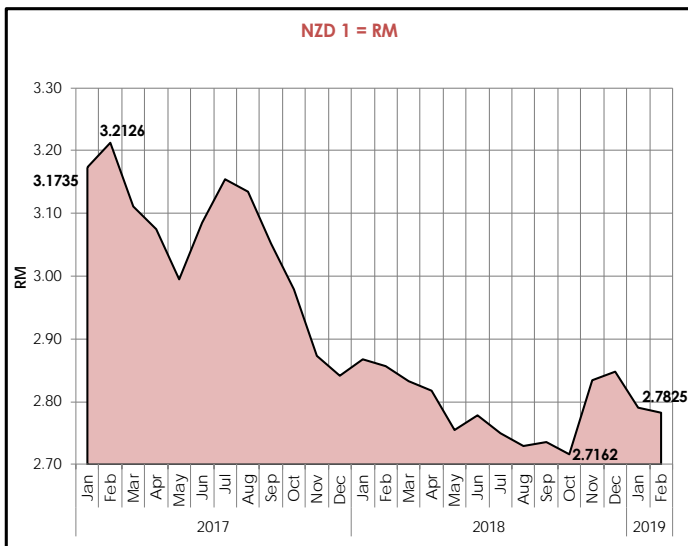
Canadian Dollar



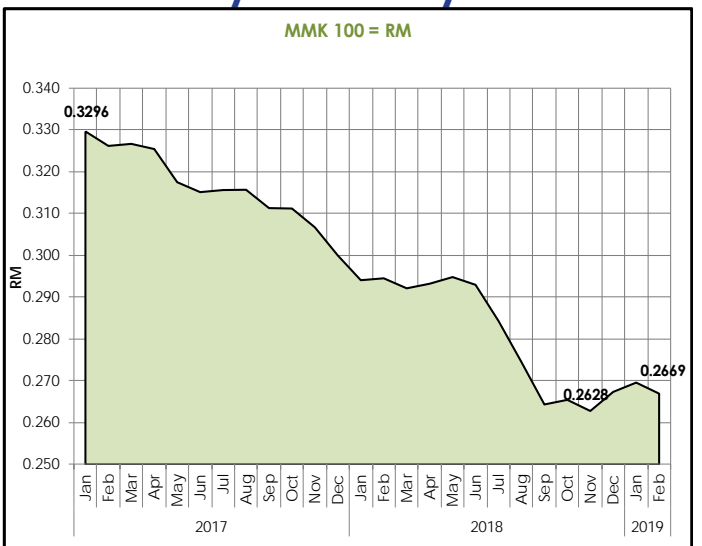
Saudi Riyal



New Zealand Dollar



Myanmar Kyat



Source : Bank Negara Malaysia

Commodity Prices

CRUDE PETROLEUM (BRENT) -per bbl-



▼ **0.2%***
US\$67.0
22 Mar 2019



Average Price 2018ⁱ: US\$71.5

CRUDE PALM OIL -per MT-



▼ **3.0%***
US\$526.5
22 Mar 2019



Average Price 2018ⁱ: US\$600.1

RUBBER SMR 20 -per MT-



▲ **1.1%***
US\$1,491.5
22 Mar 2019

Average Price 2018ⁱ: US\$1,371.0

COCOA SMC 2 -per MT-



▲ **3.2%***
US\$1,539.2
22 Mar 2019

Average Price 2018ⁱ: US\$1,535.6

SUGAR -per lbs-

▲ **0.4%***
US¢12.6
22 Mar 2019



Average Price 2018ⁱ: US¢12.3

COAL -per MT-



▼ **5.8%***
US\$65.1
22 Mar 2019

Average Price 2018ⁱ: US\$66.9

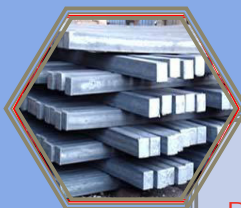
SCRAP IRON HMS -per MT-



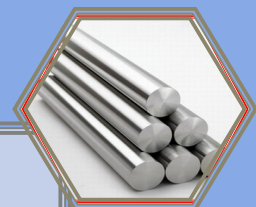
⊖ **0%*** ⊖ **0%***
US\$380.0 US\$350.0
(high) (low)
22 Mar 2019

Average Price 2018ⁱ: US\$380.7 (high)
Average Price 2018ⁱ: US\$359.6 (low)

Domestic Prices 22 March 2019



Billets
(per MT)
RM2,000 - RM2,100



Steel Bars
(per MT)
RM2,150- RM2,300

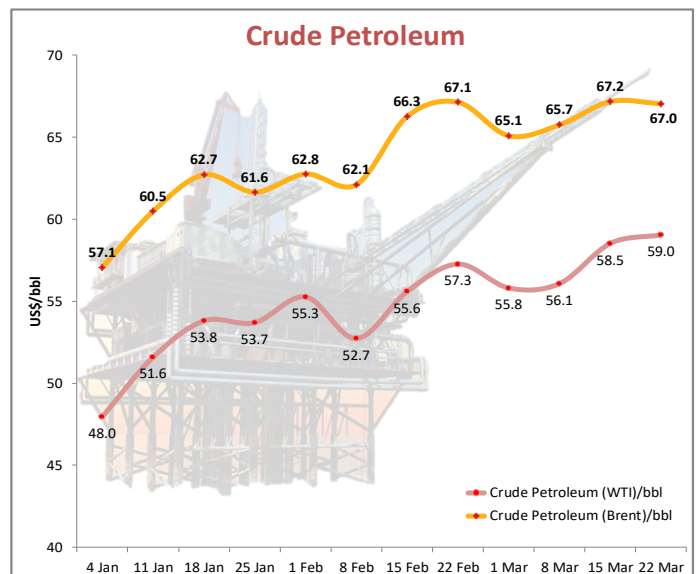
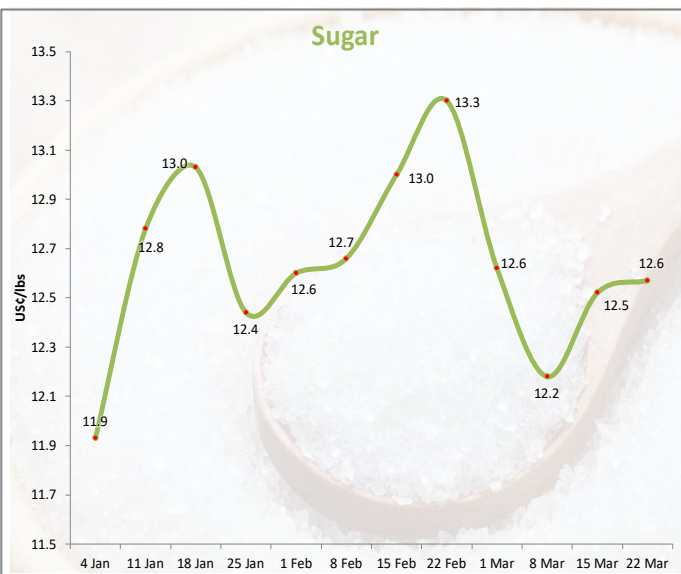
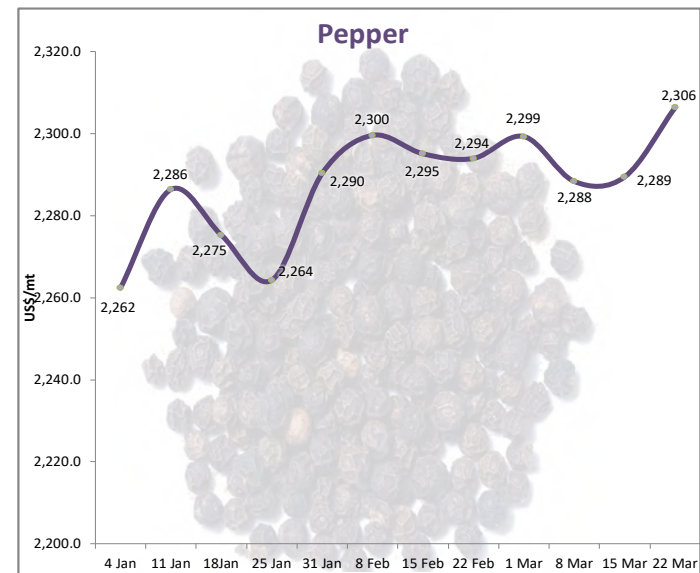
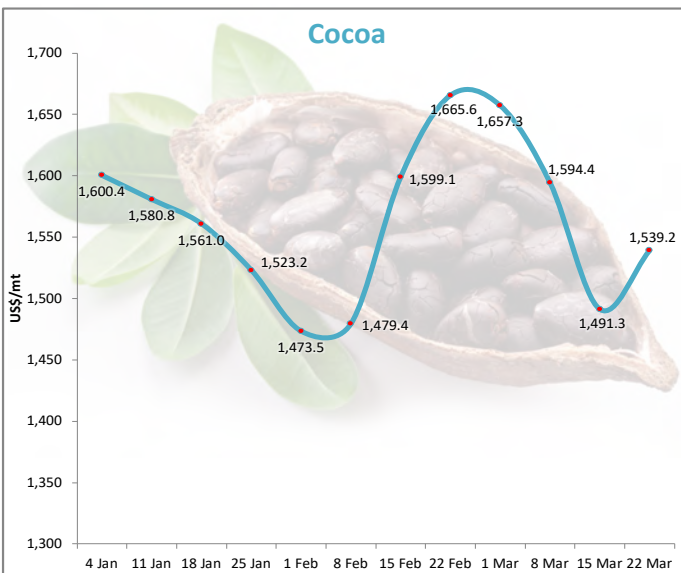
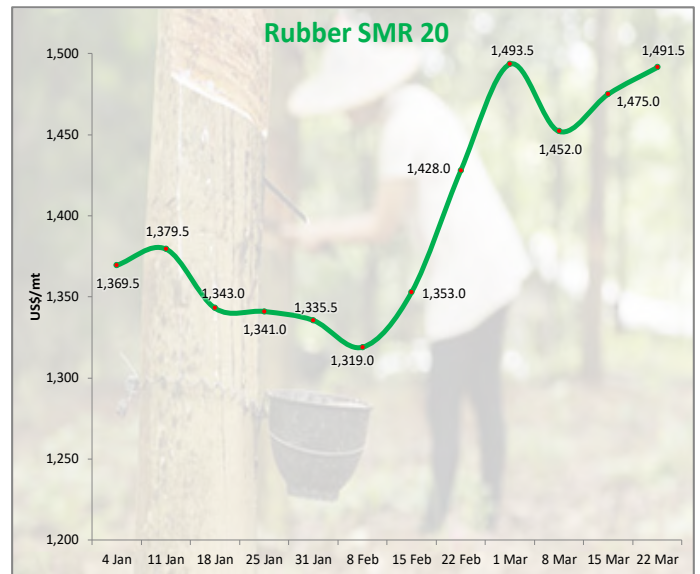
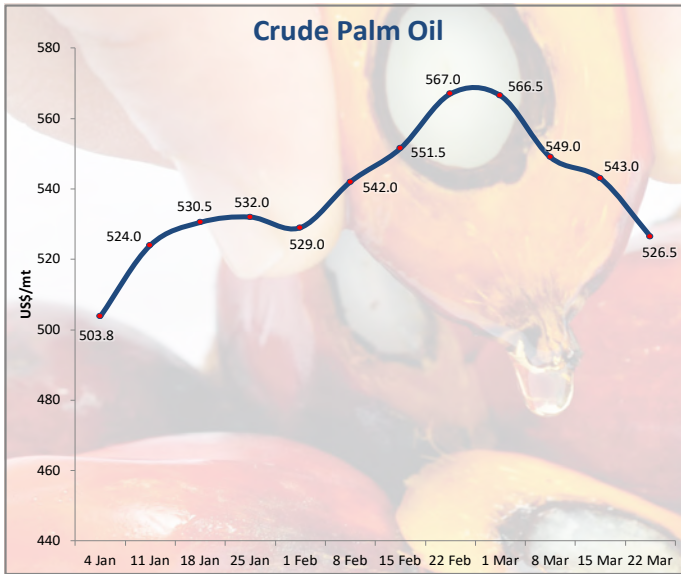
Notes: All figures have been rounded to the nearest decimal point

* Refer to % change from the previous week's price

i Average price in the year except otherwise indicated

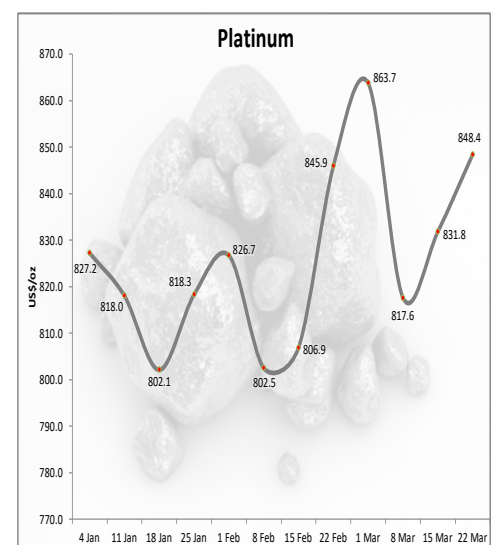
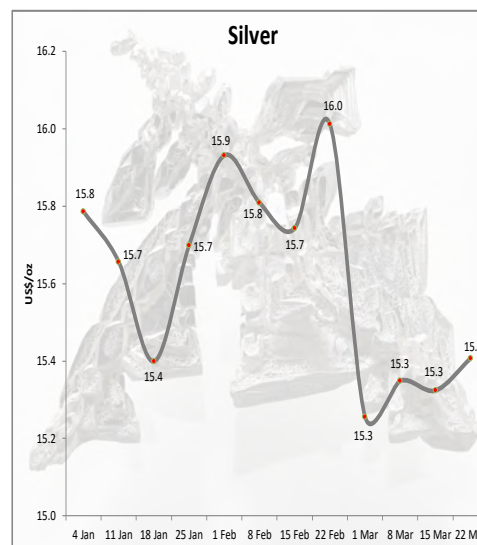
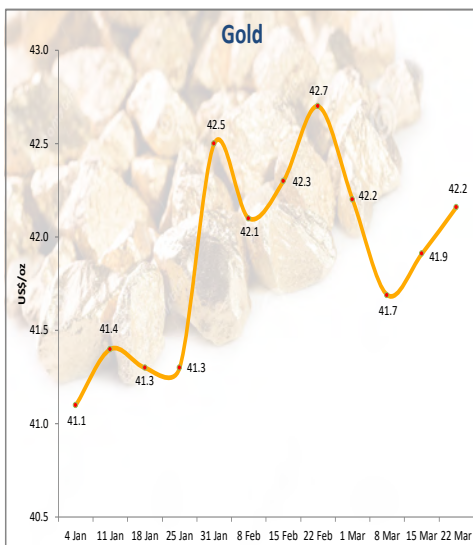
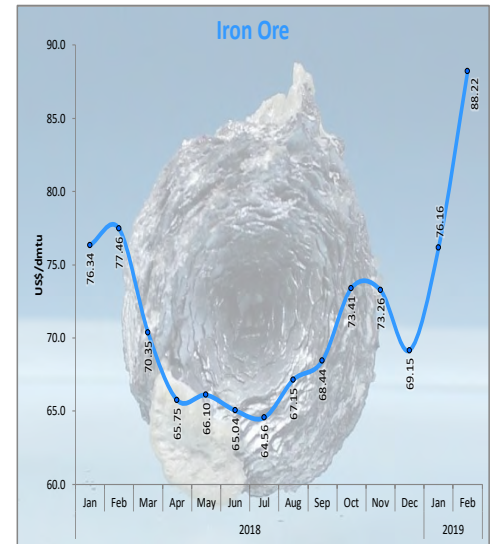
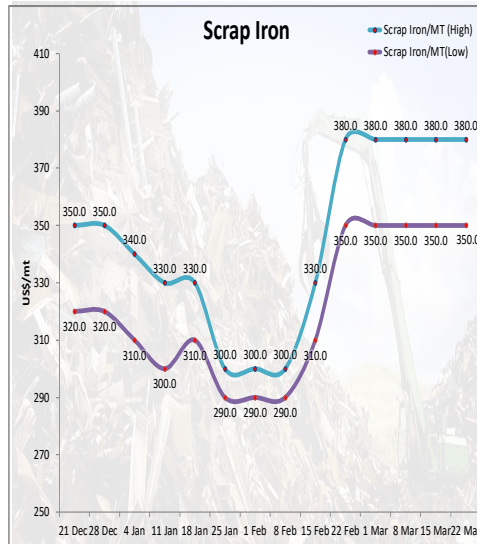
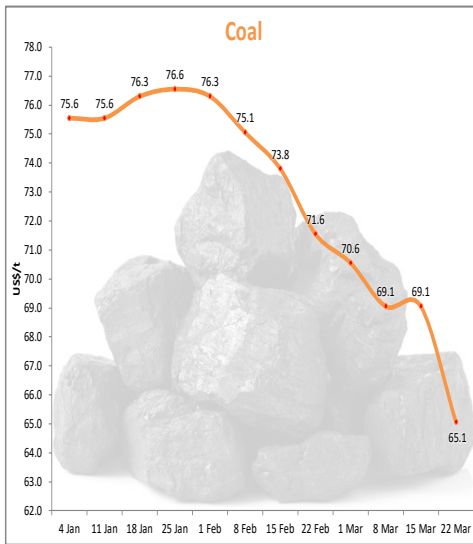
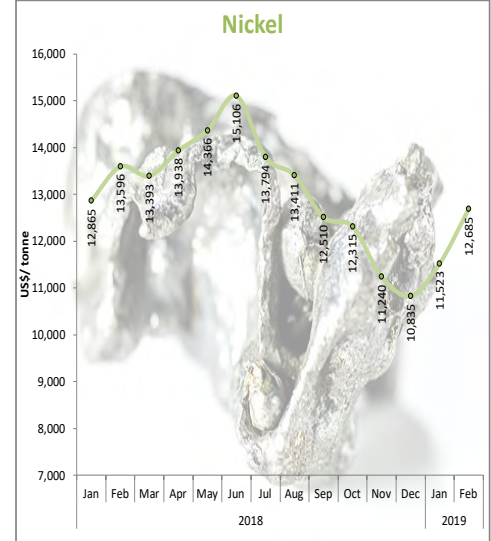
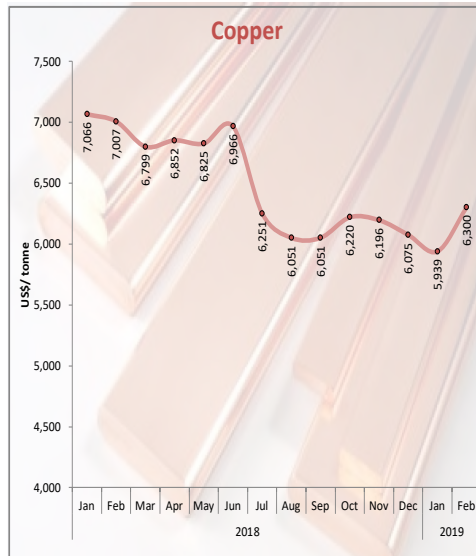
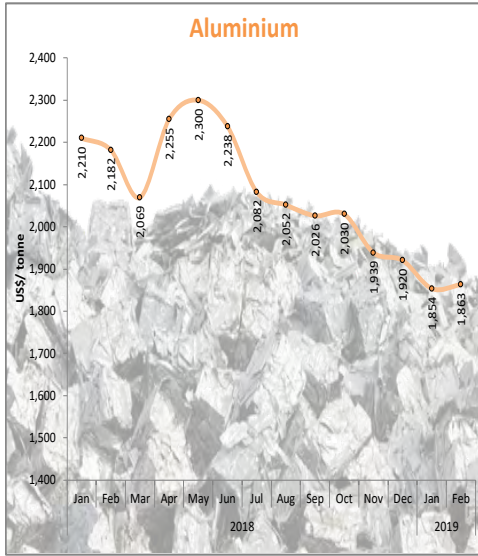
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

Commodity Prices Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Prices Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

MITI Secretary General delivered the opening address at the Seminar on Industry4WRD and Incentives, Sarawak 21 March 2019



MITI Minister engagement session with the Group of Latin America and Caribbean Countries (GRULAC) 22 March 2019



MITI PROGRAMMES

MITI Minister witnessed the exchange of four Memoranda of Understanding between local and international companies

26 March 2019





Glossary

Endangered Species

Species in danger of extinction and whose survival is unlikely if causal factors continue operating. Included are species whose numbers have been drastically reduced to a critical level or whose habitats have been so drastically impaired that they are deemed to be in immediate danger of extinction. Also included are those that possibly are already extinct, in so far as they definitely have not been seen in the wild for the past 50 years.

Source : Environment

Source Detail : Compendium of Environment Statistics, DOSM

Endemic

Native species in a particular place or area and not taken from elsewhere.

Source : Environment

Source Detail : Compendium of Environment Statistics, DOSM

Engineering Services

Refers to the provision of engineering services for others on a fee or contract basis. Included are engineering research, development and testing services. These services must be provided by establishments operated by persons registered under Section 7(1) of the Registration of Engineers Act, 1967 (Revised 1987).

a) Include engineering design (i.e. applying physical laws and principles of engineering in the design of machines, materials, instruments, structures, processes and systems) and consulting activities for:

- machinery, industrial processes and industrial plant.
- projects involving civil engineering, hydraulic engineering, traffic engineering
- water management projects
- projects elaboration and realization relative to electrical and electronic engineering, mining engineering, chemical engineering, mechanical, industrial and systems engineering, safety engineering
- project management activities related to construction.

b) Engineering services refers to elaboration of projects using air conditioning, refrigeration, sanitary and pollution control engineering, acoustical engineering, etc.

Source : Services

Source Detail : Economic Census - Business Services, DOSM

Enrichment Planting

Forest restoration treatments on poor forest areas and open spaces that are performed on the areas in PRF which has been harvested to help improve the content of the forest to reach the desired level.

Source : Environment

Source Detail : Compendium of Environment Statistics, DOSM

ACCOUNT DIVISION

MITI AT YOUR SERVICE

Email: allakaun@miti.gov.my



Iman Athira Laili
PA to Director



Mohd Azizi Mohd Aspar
Director
of Account Division



Heldawaty Mustafa
Deputy Director



Nor Atikah Adanan
Senior Accountant



Adilah Yahaya
Principal Accountant



**Siti Zarina binti
Abdullah**
Senior Accountant



**Shazra Nazura binti
Mohamad Firdaus**
Senior Accountant



Azamimah Alwi
Principal Accountant



Roziwaty Junaidi
Accountant



Fazilah Hamid
Principal Assistant
Accountant



Rohaya Jaafar
Senior Assistant
Accountant



Nor Salina Sharuddin
Senior Assistant
Accountant



Emi Zakiah Johar
Senior Assistant
Accountant



**Muhammad Ariq Tan
Abdullah**
Senior Assistant
Accountant



Anita a/p David
Principal Assistant
Accountant



Mishar bin Ahmad
Assistant
Accountant



**Rahmat Murdeni
Ali Umar**
Assistant
Accountant



Nur Fatimah Abd Halim
Assistant
Accountant



**Syaheed Shahrani
Daud Shahrani**
Assistant
Accountant



Norhayati Mad Isa
Assistant
Accountant



Jamaiyah Abu Bakar
Account
Assistant



Nur Hidayah Md Amin
Administrative
Assistant



THE 15th LANGKAWI INTERNATIONAL MARITIME & AEROSPACE EXHIBITION 2019

26 - 30 March 2019 | Mahsuri International Exhibition Centre



NAICO
MALAYSIA

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(RSVP by: 28th Feb 2019)

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NEXT AWARD CYCLE

ANUGERAH KECEMERLANGAN INDUSTRI (AKI) 2019/2020

NOMINATIONS OPENING SOON

Read More on AKI

For more information, kindly click the following links:
<https://www.miti.gov.my/index.php/pages/view/aki?mid=535>



For more information, kindly click the following links:
http://www.miti.gov.my/index.php/pages/view/4761Vintage_English.pdf



For more information, kindly click the following links:
<https://www.miti.gov.my/index.php/pages/view/industry4WRD>

MITI POCKET TALK

A SERIES OF SESSION FOR THE PRIVATE SECTOR

Information on the benefits of **Free Trade Agreements (FTAs)** and current updates

Introduction on **Preferential Certificates of Origin (PCO)** application procedures



When?
Once a month

Where?
MITI Tower Kuala Lumpur or MITI Regional Offices

Fees?
Free of Charge with light refreshments

For more information, please contact the Secretariat

03-6200 0488/69/57 | allaki@miti.gov.my

NO	DATE	VENUE	TOPIC
1	14 March (Thursday)	MITI PENANG	Introduction to FTA & Preferential Certificate of Origin (PCO)
2	11 April (Thursday)	MITI HQ (SEMINAR 1)	
3	16 May (Thursday)	MITI JOHOR	
4	20 June (Thursday)	MITI HQ (SEMINAR 1)	
5	18 July (Thursday)	MITI PAHANG	
6	22 August (Thursday)	MITI HQ (SEMINAR 1)	
7	19 September (Thursday)	MITI PERAK	
8	17 October (Thursday)	MITI HQ (SEMINAR 1)	
9	14 November (Thursday)	MITI KELANTAN	

ANNOUNCEMENTS

For more information, kindly visit:

https://www.dosm.gov.my/v1/index.php?r=column/cone&menu_id=N0FVaDR4Y1hGMk1NNi9jS2ZORFFLZz09#

Early Bird Registration : 1st December 2018 - 31st May 2019

