



## **MEDIA RELEASE**

### **MALAYSIA'S TRADE AND INVESTMENT MISSION TO EUROPE CONTINUES IN AMSTERDAM AND BRUSSELS, 19-20 OCTOBER 2017**

Innovation and services sectors among key areas targeted for future growth

1. The trade and investment mission to Europe led by International Trade and Industry Minister, YB Dato' Sri Mustapa Mohamad moved on to Amsterdam and Brussels on 19-20 October 2017 with seminars and a number of one-to-one engagements with leading companies and potential investors.
2. "As at 2016, 249 projects with participation of Dutch companies valued at RM21.6 billion have been implemented in Malaysia, making Netherlands our second largest investor from the EU, behind Germany. These investments are in key sectors such as electronics & electrical, food manufacturing and scientific equipment. There are about 150 Dutch companies operating in Malaysia which include Shell, Dutch Lady, Vopak and NXP Semiconductor", said Dato' Sri Mustapa.
3. Besides the RM2.6 billion Global Business Services Centre established by Shell in Kuala Lumpur which employs over 1,700 people, a number of Dutch companies have chosen Malaysia to set up their regional establishments including Benchmark Electronics, Mylaps BV and Kraton Polymers. There is strong interest in the Malaysian economy within the Dutch business community and many are leveraging on Malaysia's strategic position as their gateway to ASEAN.
4. During the seminar, two Dutch SMEs namely BE Semiconductor Industries (BESI) and Enza Zaden also shared their overall positive experiences investing in Malaysia as well as their own perspective on the human capital capacity in Malaysia. Among others, both companies noted the high quality human capital available in Malaysia especially in the area of technology and mechanisation and the strong work culture among Malaysians. They were happy with the facilitation by MIDA and other IPAs.



5. BESI based in Shah Alam with 430 employees is involved in the production of semiconductor related machinery & equipment and has continued making Malaysia as its regional base to serve the Asia Pacific market. Enza Zaden, a Dutch SME producing agricultural seeds has chosen Perak for its R&D centre and highland breeding centre which has been accorded Bio Nexus status.

6. The services sector has always played an important role in driving the Dutch economic growth. Netherlands also has a strong standing in the area of renewable energy, in line with its aspiration to have a sustainable and affordable energy system. As Netherlands continues to position itself as a global knowledge economy, there are abundant opportunities for Malaysia to attract new investments from the country especially in new areas of economy such as renewables, biomass, start-ups and IOT. "Malaysia is currently in an exciting phase of development with major initiatives in areas such as digital economy. This development presents new business opportunities for Dutch companies especially in innovative-driven and service-based sectors", added Dato' Sri Mustapa.

7. For example, the Dutch Palmares consortium that consists of several companies in the field of renewable energy, such as Energy Transformers and DMT Technology are looking into opportunities in Malaysia in the field of treatment of palm oil waste (residue). In addition, a scale-up Dutch company called Saleduck is in the field of e-commerce (E-couponing) in Malaysia whilst scale-ups such as Poet Farmer and Lizard Apps are in the area of App development in Malaysia. Leading SMEs such as KMWE producing precision systems and components for the semiconductor industry have also thrived in Malaysia growing from 11 employees in 2009 to 200 people in 2017. KMWE has plans to further expand its operations in Malaysia including in the aerospace sector.

8. The Minister also took the opportunity to visit Brainport Industries Campus in Eindhoven which is a High Tech centre in the Netherlands with more than 140 companies and institutes, and some 10,000 researchers, developers and entrepreneurs working on developing future technologies and products. Brainport Eindhoven is one of the world's leading technology regions, with 42% of patented innovations



in Netherlands produced here. It also contributes about 25% of exports from Netherlands. The High Tech centre is built upon a Triple Helix framework which focuses on collaboration between the Government, private sector and educational institutions.

9. Brainport Eindhoven was supported by leading anchor companies, include PHILLIPS, ASML, NXP, DAF and VDL. These original equipment manufacturers (OEMs) are well supported by first, second and third tier SMEs resulting in a very strong ecosystem. The High Tech centre has been at the forefront of new areas of research including Integrated Photonics, Artificial Intelligence and Virtual Intelligence. MITI will organise a seminar in Malaysia with the support of Brainport High Tech Campus early 2018 to create awareness of how the Triple Helix framework has been successful in ensuring the competitiveness of Dutch industries.

10. The mission continued with a roundtable meeting involving 10 leading Belgium companies in Brussels. The roundtable meeting was held to update both existing and new companies on the latest development and business opportunities available in Malaysia. As at June 2017, implemented Belgian investments was worth RM743.6 million making Belgium as one of the significant investors from the EU. These investments had created over 2,000 employment opportunities in key sectors such as non-metallic mineral products, chemical and electrical and electronics. Among major companies that had set their footprints in Malaysia include Lhoist Chemicals, Oleon and Melexis. Some of the Belgian companies which have existing operations in Malaysia are exploring into expansion of their production capacity to leverage on our country's strategic position as the gateway to ASEAN.

11. "It is important for Malaysia to be strongly on the radar screen of European multinationals and SMEs. To achieve this objective, we must enhance our visibility in the major trade and investment markets. For these major markets, we need to engage them at least once a year to update on our latest economic developments, business opportunities and attractiveness of Malaysia as a premier investment destination", said Dato' Sri Mustapa Ministry of International Trade and Industry



MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

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Ministry of International Trade and Industry (MITI)

**About MITI:**

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation by 2020 .

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