

DRIVING Transformation POWERING Growth

MITI Report
2011



Ministry of International Trade
and Industry Malaysia



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ISSN 0128-7524

June 2012

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Design, layout and printing by

Sasyaz Holdings Sdn. Bhd. (219275-V)
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Price: RM60.00

DRIVING Transformation **POWERING** Growth

MITI Report **2011**



Ministry of International Trade
and Industry Malaysia



FOREWORD



YB Dato' Sri Mustapa Mohamed
Minister of International Trade and Industry, Malaysia

Driving Transformation, Powering Growth

Malaysia's economy grew 5.1 per cent in 2011 in the face of challenging economic conditions worldwide. The manufacturing sector grew by 4.5 per cent while the services sector grew by 6.8 per cent.

Trade volume reached RM1.3 trillion, an increase of 8.7 per cent compared with 2010. Despite disruptions in our manufacturing supply chain caused by natural disasters in Thailand and Japan, exports increased to a new high of RM694.5 billion while imports reached RM574.2 billion.

Overall, we maintained our attraction as a preferred destination for many investors, and our industrial base registered a shift towards the production of higher value-added products and services, consistent with the strategic direction set by the Economic Transformation Programme.



Malaysia's industries range from plantations and small industries to high value-added manufacturing.

Transformation: A Strategic Perspective

MITI's core mission is to increase national competitiveness. The Ministry's initiatives have focused on increasing productivity, promoting innovation and creating an environment that is conducive to doing business. Our overriding objective overseas has been to establish fair and beneficial trading relationships with our trading partners worldwide. In 2011, Malaysia signed landmark economic cooperation agreements with India and Chile. At home, we focused on promoting investments in high technology and knowledge-based industries, particularly in the services sector. We also engaged with small and medium entrepreneurs through our *turun padang* visits to better understand problems on the ground and to gather feedback.

Finding Malaysian Solutions

The global economic forecast for the near future is an uncertain one. Turbulence in the Euro zone and the slow recovery of the United States economy will continue to dampen growth prospects in other parts of the world.

In the past, Malaysia's economy has stood apart from the rest of the world's emerging economies, proving resilient in the face of significant challenges. Over the course of the past 40 years, we have demonstrated an ability to maintain an annual growth rate of five per cent or more. This is a reflection of the fundamental resilience of our economy. We must continue to build on this foundation and strengthen the advantages that have made us one of the most competitive nations in the world: political



MODENAS motorcycle assembly plant.

stability, open and democratic government, the rule of law, prudent management of the economy, good infrastructure, a skilled and productive workforce, and an environment that is supportive of business.

We will continue to focus on these goals. MITI will be at the forefront of efforts to improve our public delivery system and reduce obstacles to doing business. We will continue to promote entrepreneurship and encourage greater productivity and innovation in all industries. We will pay particular attention to the development of the services sector to help it contribute a greater share of economic output. At the international level, we will continue to work to safeguard Malaysia's interests in international trade and engage with the rest of the world in mutually beneficial relationships.

At the end of the day, we recognise that the destiny of the Malaysian economy also depends on the performance of our private sector. The government's role will remain primarily that of a facilitator, while entrepreneurs and companies will be the ones that create value and drive economic growth. MITI will continue to support their efforts so that together we can bring greater prosperity to all Malaysians.



**MITI SENIOR
MANAGEMENT**

SENIOR MANAGEMENT

Ministry of International Trade and Industry, Malaysia
(as at June 2012)

Ms. Tay Lee Looi
Senior Director (FTA Policy and Coordination)

Mr. Ravidran Palaniappan
Senior Director (ASEAN Economic Cooperation)

Mr. Mohamed Shahabar Abdul Kareem
Strategic Trade Controller

Mr. Syed Muhammad Syed Nadzir
Head of Corporate Communications



Mr. Khoo Boo Seng
Senior Director (Strategic Planning)

Datuk Mohd Najib Abdullah
Managing Director (MIDF)

Mr. Nik Abu Bakar Nik Mohamed
Director (Institut Keusahawanan Negara) (INSKEN)

Mdm. Hanibah Abd. Wahab
Senior Director (Management Services)

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Dato' Nik Rahmat Nik Taib
Deputy Secretary General (Industry)

Mr. Mohd Ridzal Sheriff
Deputy Secretary General (Trade)



Mr. Khoo Boo Seng
Senior Director (Strategic Planning)

Datuk Mohd Najib Abdullah
Managing Director (MIDF)

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Mr. Mohd Ridzal Sheriff
Deputy Secretary General (Trade)

YB Dato' Sri Mustapa Mohamed
Minister

YB Dato' Mukhriz Tun Mahathir
Deputy Minister (Trade)

YB Dato' Jacob Dungau Sagan
Deputy Minister (Industry)



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Chief Executive Officer (SME Corporation Malaysia)

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Senior Director (Trade Cooperation)

Dato' Seri Jamil Bidin
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Senior Director (Asia Pacific Economic Cooperation) (APEC)

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Managing Director (SME Bank)



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Legal Advisor

Dato' Abd Majid Kutiran
Senior Director (Sectoral Policy & Investment Affairs)

Dato' Noharuddin Nordin
Director General (Malaysian Investment Development Authority) (MIDA)

Mr. J. Jayasiri
Senior Director (Multilateral Trade Policy and Negotiations) (MTPN)

Ms. Mariam Md. Salleh
Senior Director (Services Sector)

Dr. Wong Lai Sum
Chief Executive Officer (Malaysia External Trade Development Corporation) (MATRADE)

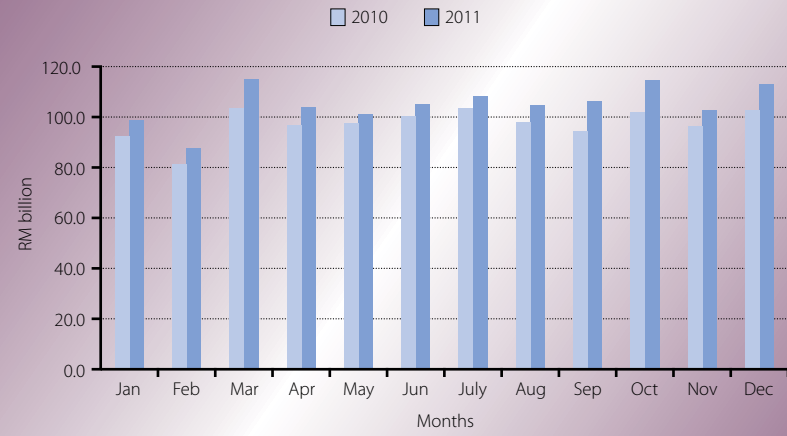
Dato' Mohd Razali Hussain
Director General (Malaysia Productivity Corporation) (MPC)

Mdm. Harjit Kaur (Not in picture)
Senior Director (Investment Policy and Trade Facilitation)



**AT A
GLANCE**

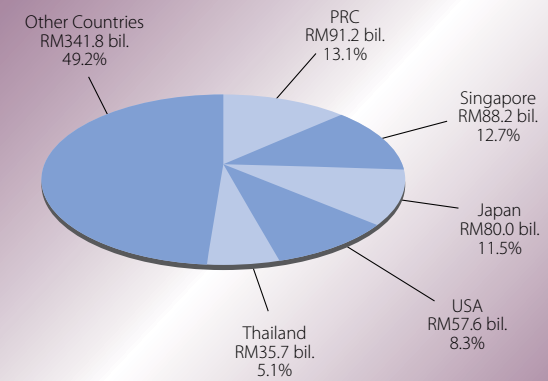
Chart 1: Total Trade, 2010-2011



Source: DOSM

Chart 3: Top Five Export Destinations, 2011

Total: RM694.5 billion

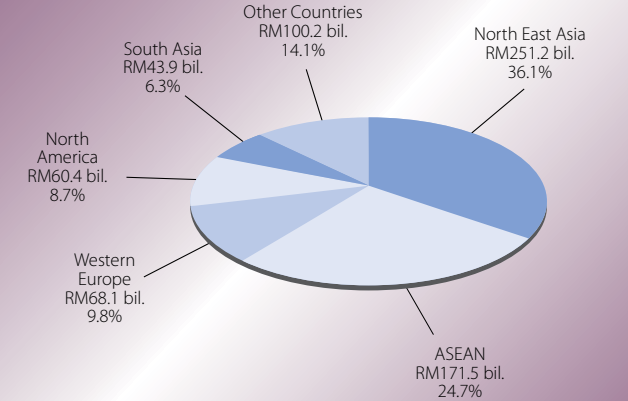


Note: Others include Hong Kong SAR, India and Republic of Korea (ROK).

Source: DOSM

Chart 4: Malaysia's Exports by Region, 2011

Total: RM694.5 billion

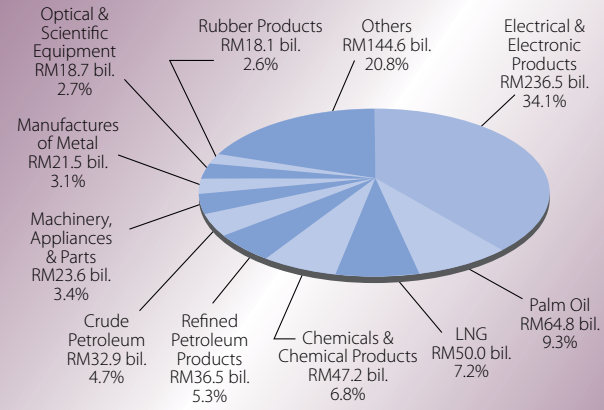


Note: Others include Oceania, West Asia and Africa.

Source: DOSM

Chart 2: Top 10 Exports by Product Sector, 2011

Total: RM694.5 billion

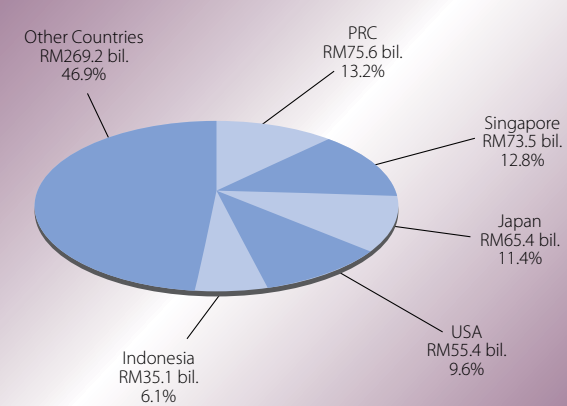


Note: Others include Wood Products, Other Manufactures, Processed Food and Natural Rubber.

Source: DOSM

Chart 5: Top Five Import Sources, 2011

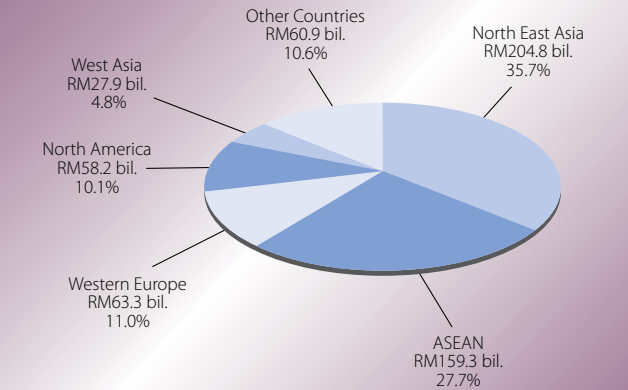
Total: RM574.2 billion



Source: DOSM

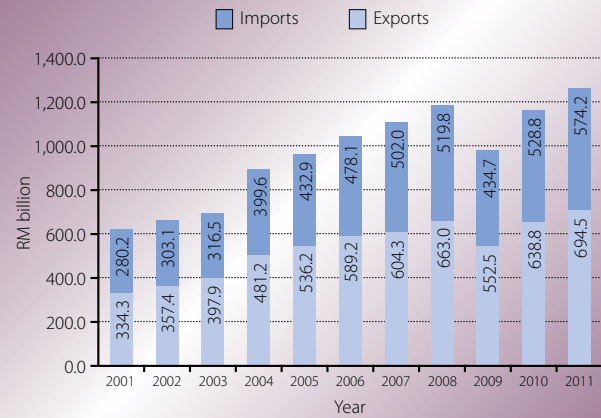
Chart 6: Imports by Region, 2011

Total: RM574.2 billion



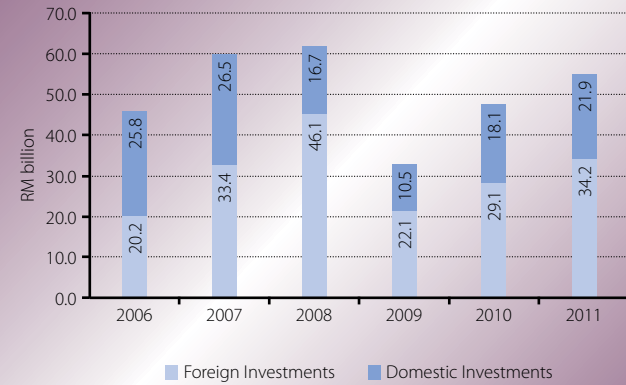
Source: DOSM

Chart 7: Growth of Malaysia's Trade, 2001-2011



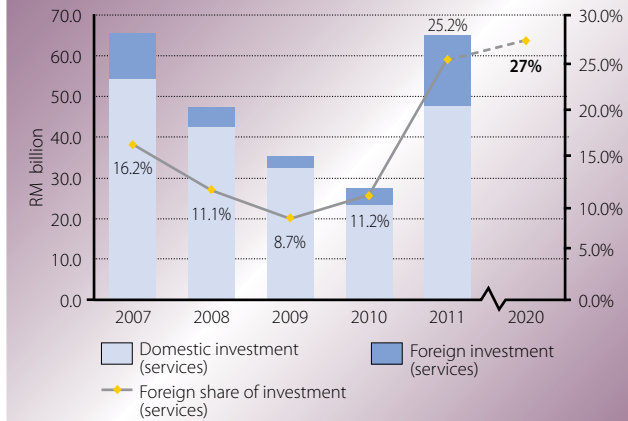
Source: DOSM

Chart 8: Domestic and Foreign Investment in Approved Projects, 2006-2011



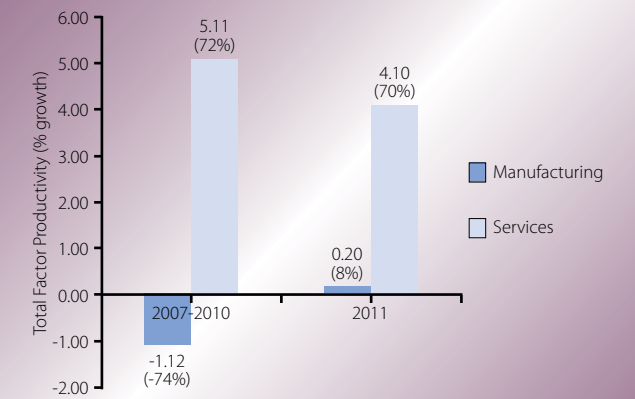
Source: Malaysia - Investment Performance Report 2011, MIDA

Chart 11: Foreign Investment in the Services Sector, 2007-2020 (Projected)



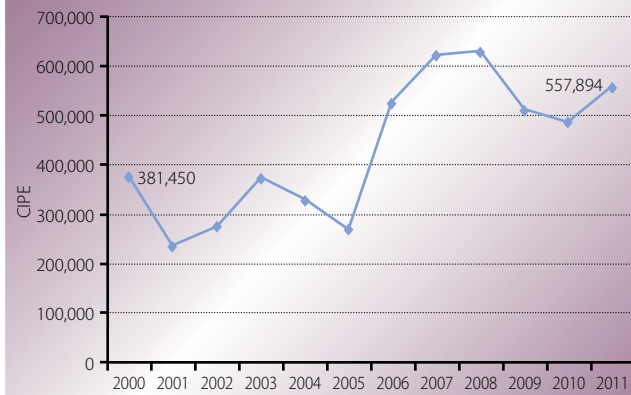
Source: DOSM

Chart 12: Total Factor Productivity for Manufacturing and Services Sectors



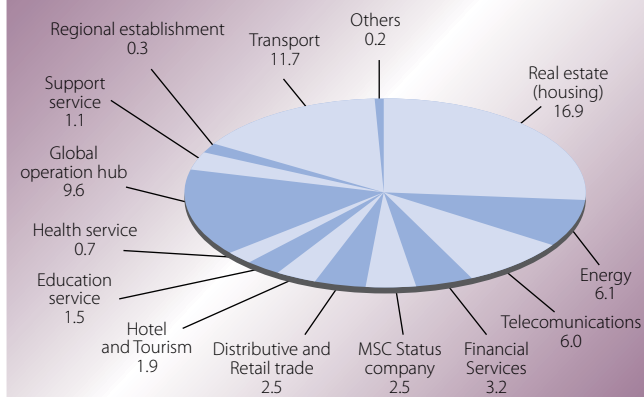
Source: MPC

Chart 9: Capital Investment Per Employee (CIPE) Ratio for Approved Projects, 2000-2011



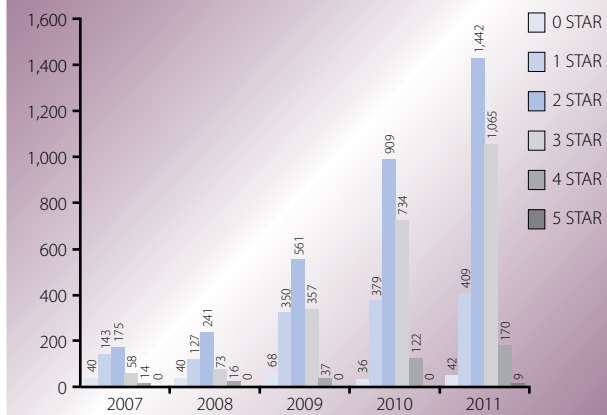
Source: MIDA

Chart 10: Investment into Malaysia's Services Sector, 2011 (RM billion)



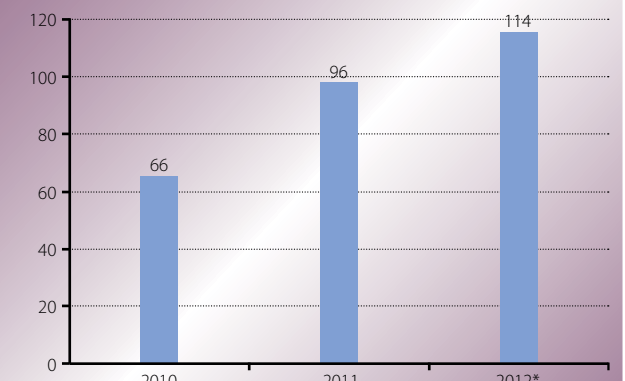
Source: DOSM

Chart 13: SME Competitive Rating for Enhancement (SCORE) Programme Results, 2007-2011



Source: SME Corp

Chart 14: Total Number of 1-InnoCert Companies



* Figures for 2012 complete up to May 2012



**DEEPENING
INTERNATIONAL
TRADE
RELATIONS**

The growing worldwide demand for iron and steel products drives production of steel beams in Malaysia.

Rolled steel intended for the global market.

Malaysia has long been a trading partner of developed economies such as the United States and Japan. But its transformation into a high-income nation will depend upon its ability to deepen its engagement with the world's emerging markets.

The world's economic epicentre has significantly shifted over the past decade. Economic superpowers such as the United States of America (USA) and Japan are facing issues of unemployment and economic stagnation, while many European economies are mired in financial crises. Although these developed nations still command significant influence in global economic affairs, the emerging countries, particularly in Asia, are assuming a larger role in the global economy.



The Strategic Trade Act 2010: Facilitating Trade in a Secure Trading Environment

Being a major global trading nation, Malaysia is committed to contribute to the maintenance of international peace and security by combating the proliferation of Weapons of Mass Destruction (WMD). With that in mind, Malaysia has enacted the **Strategic Trade Act 2010 (STA 2010)**, which provides control over the export, transshipment, transit and brokering of strategic items (products and technology), including arms and related material, and other activities relating to the design, development and production of WMD. The Act was enacted to fulfill requirements of the United Nations Security Council Resolution (UNSCR) 1540 of 2004 where member states need to establish comprehensive legal and regulatory measures

to control the exports of these strategic items and technologies to State or Non-State actors.

The **Strategic Trade Secretariat (STS)** was established in MITI to coordinate the implementation of STA 2010. Apart from STS, three other agencies namely the Atomic Energy Licensing Board (AELB), the Malaysian Communications and Multimedia Commission (MCMC) and the Pharmaceutical Services Division are responsible for issuing permits for items under STA 2010. The Strategic Items List in the Strategic Trade Order 2010 was adopted from the European Union's Export Control List and includes military as well as dual-use items.

Malaysia is one of only two ASEAN countries with an export control law in place and made online applications of permits available in 2011 as part of

the implementation of STA 2010. Malaysia's swift and business-friendly approach to control strategic items is a regional and international model for facilitating trade in a secure trading environment. Since the implementation of STA 2010 is based on self-declaration, the responsibility to classify products as strategic lies on the individual or entity undertaking the related business activity. Another important element in STA 2010 is that the individual or entity undertaking the business activity should be aware of the end-use and end-user of the product. It is a requirement for companies to do the necessary due diligence in determining the usage and users of one's products before a strategic product is exported.

STA 2010 is not intended to hinder legitimate trade but seeks to ensure a balance between Malaysia's economic interests and national interests as well as address Malaysia's security concerns. Compliance to STA 2010 portrays Malaysian companies as responsible traders and will eventually improve

their image in the global business community. Smooth and effective implementation is vital to ensure that legitimate business is not disrupted while at the same time security is not jeopardised.

STA 2010 will provide the following benefits to the country and the business community:

1. Enhance Malaysia's image as a destination for foreign investment;
2. Facilitate and manage exports of high technology goods and components from Malaysia;
3. Protect the interests of Malaysian exporters from exploitation by proliferators of strategic items without interfering with legitimate trade activities; and
4. Promote Malaysia as a safe country for other economies to trade with.

Malaysia was well-prepared for these changes in the global economy, and has been working hard at cementing relations with the world's new and emerging economic centres, even as it continues to strengthen trading relationships with long-time trade partners.

Trade with Regions of Increasing Importance

Malaysia continued to benefit from its membership in the **Association of South**

East Asian Nations (ASEAN) as the trade grouping stayed on track towards becoming an integrated economic region by 2015.

As of 2011, Malaysia has implemented 235 out of the 291 measures specified in the ASEAN Economic Community (AEC) Blueprint. To facilitate and speed up trade, Malaysia has adopted a self-certification system on the issuance of Certificates of Origin for the ASEAN Trade in Goods Agreement (ATIGA). The pilot

project involves the four ASEAN nations of Malaysia, Singapore, Brunei Darussalam and Thailand. To date, a total of 68 manufacturing companies and exporters in Malaysia have been authorised to implement the newly-introduced system. MITI targets to increase this number to 200 companies by the end of 2012.



Malaysia's manufacturers are achieving increasingly high standards of quality.

An automotive assembly line in operation.



The year 2011 also saw the adoption of the *ASEAN Framework for Equitable Development: Guiding Principles for Inclusive and Sustainable Growth*, which provides the guiding principles for inclusive and sustainable growth for all sectoral bodies under the AEC Pillar, with a view to further enhance the third pillar of the AEC Blueprint and to ensure that regional economic integration helps alleviate poverty and narrow the development gap within ASEAN. In addition, the *ASEAN Framework for Regional Comprehensive Economic Partnership*, also adopted in 2011, will broaden and deepen ASEAN's engagement with Free Trade Agreement (FTA) and Closer Economic Partnership (CEP) partners and subsequently with other external economic partners towards a comprehensive regional economic partnership agreement.

Seven Member States (including Malaysia) have completed their 8th Package within the ASEAN Framework Agreement on Services (AFAS),

which involves considerable liberalisation within the respective member economies. Recognising the difficulties faced by Member States, ASEAN Economic Ministers agreed to



The palm oil products sub-sector is creating jobs for Malaysian workers.

combine the remaining three AFAS packages into two packages to be completed in 2013 and 2015 respectively and develop a clear roadmap towards completion of the AFAS. One key initiative in the services sector that began in 2011 is the ASEAN Agreement on Movement of Natural Persons (MNP), which is targeted to be finalised by August 2012.

The ASEAN-China Free Trade Agreement (ACFTA) also rolled on towards full implementation, with the People's Republic of China (PRC) and members of ASEAN signing the *Protocol to Implement the Second Package of Specific Commitments under the Agreements on Trade in Services of the Framework Agreement on Comprehensive Economic Cooperation between ASEAN and China* in Bali during the 19th ASEAN Summit. Malaysia has gazetted the ASEAN-China Sensitive List (SL) and Highly Sensitive List (HSL) under the ASEAN-China Comprehensive Economic Framework Agreement.



Mr. See Chee Kong

MITI Beijing

In 2011, MITI Beijing organised and facilitated several high-level economic, trade and investment activities involving MITI leaders in the People's Republic of China (PRC). These high level activities included the Ninth Malaysia-China Joint Economic and Trade Commission Meeting, the First Malaysia-China Economic Cooperation Working Group Meeting, the China-ASEAN EXPO (with Malaysia as the country of honour) and the conception of the China Malaysia Qinzhou Industrial Park. MITI Beijing also helped to promote trade and investment opportunities in Malaysia to potential investors in the PRC and facilitated investment and trade for Malaysian corporations in the PRC.

SMEs such as this handicrafts business make up the majority of Malaysian companies.



Mr. Isham Ishak

MITI Washington DC

During 2011, MITI Washington DC was involved with the APEC Summit from 9-13 November 2011 in Honolulu, Hawaii, where YB Dato' Sri Mustapa Mohamed attended the APEC Ministerial Meeting. In addition, MITI Washington DC coordinated visits to the United States by both Prime Minister YAB Dato' Sri Mohd Najib Tun Abdul Razak and Deputy Prime Minister YAB Tan Sri Muhyiddin Yassin on matters relating to trade and industry.



Continuing Trade Growth with Traditional Markets

The USA was Malaysia's fourth largest trading partner in 2011, accounting for 8.9 per cent of Malaysia's total trade. Exports to the USA in 2011 came to RM57.6 billion, while imports amounted to RM55.4 billion. The USA has also been a valuable negotiating member of the Trans-Pacific Partnership (TPP) since 2008 and

“The ASEAN-India Trade in Goods Agreement is just the beginning. About 10 days ago, Minister Anand Sharma and I signed the Malaysia India Comprehensive Economic Cooperation Agreement (MICECA) in Kuala Lumpur. India now has bilateral FTAs with Singapore and the Early Harvest Programme with Thailand, and has begun engaging Indonesia. On the deepening of the ASEAN-India FTA, Minister Anand Sharma and I exchanged views on increasing our efforts to bring to conclusion the ASEAN-India services and investments agreements expeditiously. We must work together to complete these agreements so that we have a more inclusive engagement that will benefit our business communities.”

YB Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry, at the Inauguration Ceremony of the India-ASEAN Business Fair and Business Conclave, 2 March 2011

is working closely with Malaysia to address remaining issues in the agreement. Going forward into 2012, the removal of Malaysia from a lower level intellectual property rights piracy watch list by the US Trade Representatives (USTR) will further strengthen trade engagement with the USA. The Economic Transformation Programme (ETP) is also expected to make Malaysia more attractive for American investments in 2012.

Malaysia maintains long-standing trade relationships with several European Union (EU) countries. Germany was Malaysia's tenth largest trading partner in 2011, with total trade increasing by 4.4 per cent to RM40.4 billion (3.2 per cent of total trade). Exports to Germany in 2011 amounted to RM18.4 billion and imports amounted to RM22.0 billion. The Netherlands

was Malaysia's 13th largest trading partner and 12th largest export destination in 2011, with exports amounting to RM19.3 billion. The Netherlands was also the fourth largest export market for Malaysia's halal-certified companies, and the halal industry should have the opportunity to further grow its exports to EU countries in the future. France was Malaysia's 16th largest trading partner in 2011, with exports amounting to RM8.1 billion and imports amounting to RM10.6 billion. The establishment of Islamic finance in key financial centres in the EU such as London and Luxembourg is expected to boost trade and investment between Malaysia and the EU in 2012 and beyond. To date, Malaysia has signed Memorandums of Understanding in the area of Islamic finance with the United Kingdom, France and Luxembourg.

Major Developments in Trade and Trading Agreements

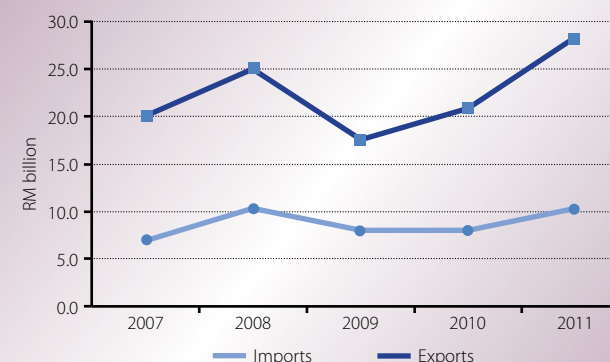
The severe floods in **Thailand** affected over 50 Malaysian companies with operations in the country in 2011. Nonetheless, swift action by the Thai government effectively curtailed the economic impact of the disaster and ensured the continued growth of the economy. Malaysia's bilateral trade with Thailand increased by 4.6 per cent to RM70.2 billion in 2011, representing 5.5 per cent of Malaysia's total global trade. Exports and imports each accounted for about half of this trade.

Malaysia's trade with **Japan** also increased in 2011 despite the tsunami and nuclear disaster in Fukushima. Malaysia's total bilateral trade with Japan rose by 9.0 per cent to RM145.3 billion in 2011, mostly due to a 7.8 per cent jump in exports of Malaysian manufactured goods such as electrical and electronic products.

In 2010, Malaysia concluded bilateral free trade agreements (FTAs) with **India** and **Chile** and commenced negotiations with Turkey and the EU. In the same year, Malaysia was also accepted as a full negotiating member in the Trans-Pacific Partnership (TPP). Malaysia has also been in bilateral talks with Australia since 2005 and is expected to conclude a trade agreement with the state in 2012.

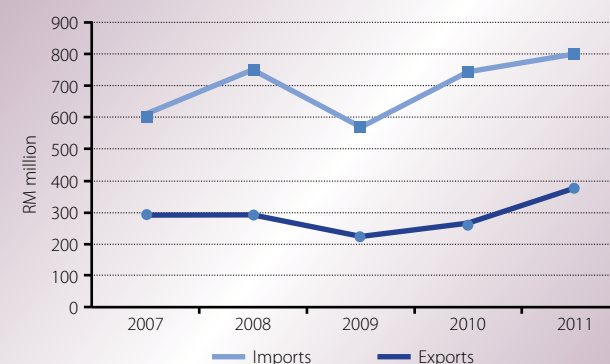
The Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA) was implemented during the previous year, during which time trade between the two countries grew by 32.7 per cent (see Chart 1). Total Malaysian exports to **India** came to RM28.2 billion last year, mostly comprising mineral fuel, palm oil, electronic products and wood products. MICECA also provides Malaysia with market access to deliver construction and infrastructure-related engineering services to India.

Chart 1: Malaysia's Trade with India, 2007-2011



Source: DOSM

Chart 2: Malaysia's trade with Chile, 2007-2011



Source: DOSM



Mr. Muthafa Yusof

MITI New Delhi

In 2011, MITI New Delhi helped to promote trade and economic relations between Malaysia and India by holding dialogues. On 19 July 2011, MITI New Delhi held a dialogue session to discuss investment opportunities in India and other related topics, such as the Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA). Also, on 28 November 2011, Mr Muthafa Yusof met with the local business community in Kolkata to provide a status update on economic relations between the two countries and to discuss possible areas of economic collaboration.

A hospital boiler room.

Malaysia's FTA with **Chile** was scheduled to be implemented in February 2012. This comes after both countries signed the agreement in 2010 and completed ratifying the agreement in 2011. Chile is Latin America's leading economy in terms of income per capita and economic freedom, and yet its population of 17.0 million has been largely untapped by Malaysian businesses. Once the Malaysia-Chile Free Trade Agreement (MCFTA) is implemented, 6,960 tariff lines (90.2 per cent) on Malaysian products will be eliminated, giving Malaysian companies greater access to Chile's prosperous consumers and industrial sector – indeed, total Malaysian exports to Chile leaped by nearly 30.0 per cent in 2011 ahead of the implementation deadline (see Chart 2). Chile is also the world's largest producer of copper, which is good news for Malaysia's manufacturing sector considering its continued reliance on this raw metal for its electronics and electrical goods.



Increasing Speed to Markets for Exporters and Moving Towards Self-Certification

Electronic Preferential Certificate of Origin (ePCO) is a Web-based Certificate of Origin application and approval system that helps exporters take advantage of the benefits of Free Trade Agreements and other schemes. MITI's Trade Cooperation and Industry Coordination Section conducted outreach and awareness programmes on ePCO in 2011 in order to increase awareness and uptake of this system.

MITI is also moving towards implementation of the Self-Certification System. Malaysia and three ASEAN Member States (Brunei Darussalam, Singapore and Thailand) are currently implementing Phase II of the Self-Certification Pilot Project for the ASEAN Trade in Goods Agreement (ATIGA) from 1 November 2011 to 31 October 2012. To date, Malaysia has appointed 68 certified exporters comprising of producers and traders.

Moving ahead into 2012, MITI will continue to conduct outreach programmes for promoting applications for Cost Analysis (CA) and Certificate of Origin (COO) through ePCO. It will also expand and implement the Self-Certification System for all other schemes, with a goal of having as many as 200 Certified Exporter companies by the end of 2012.

Malaysia's geographical location makes it a maritime trade nexus.



Mdm Hiswani Harun

MITI Geneva

MITI Geneva organised and facilitated Malaysia's participation in the World Economic Forum (WEF) 2011 in Davos in January 2011, which included the participation of YB Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry. Dato' Sri Mustapa Mohamed also participated in the Eighth WTO Ministerial Conference in Geneva in December 2011.

Malaysia continued to assume an active role in the negotiations in Geneva, chairing two WTO Committees in 2011, the Committee on Trade and Environment (CTE) Regular Session and the Committee on Information Technology Agreement (ITA). Malaysia will also chair the CTE Special Session in 2012.



Malaysia and Chile are both negotiating members in the **Trans-Pacific Partnership (TPP)**, which entered into the 10th round of negotiations in 2011. Members successfully reached a consensus upon a broad outline of the agreement, and TPP leaders expressed their wish to conclude negotiations by the end of 2012. Once realised, the TPP will create a single market of nearly half a billion consumers. During the APEC Summit 2011, Japan, Canada and Mexico all indicated their interest in joining the TPP in the future. Malaysia is also pursuing free trade agreements with other major economies including Australia, Turkey and the EU.

Nurturing Multilateral Trade Relations

The Doha Round negotiations in the **World Trade Organisation (WTO)** made limited progress in 2011, but there were developments in other areas of multilateral trade. Overall, 30 developing countries were involved in

the accession process to the WTO including Afghanistan, Iran, Iraq, Kazakhstan, Lao People's Democratic Republic (Lao PDR) and Russia. With Russia's market-opening measures pursuant to its accession into the WTO, more export opportunities will be created for Malaysia.

Negotiations on services at the WTO were intensified in 2011 covering the four major areas: market access, domestic regulation, GATS rules, and the implementation of LDC modalities. Although little progress was made in negotiations on market access and the GATS rules, there was notable progress in negotiations surrounding domestic regulation. Members of the WTO also pushed for a new round of negotiations to revise the Information Technology Agreement (ITA), of which Malaysia is a party. Most members believe that the ITA should be expanded to cover new products and members and include discussions regarding Non-Tariff Barriers to trade.

The Gurun Industrial Park in Kedah is home to automotive manufacturing facilities.



Malaysia's total trade with **Organization of the Islamic Conference (OIC)** member states also grew by an impressive 19.9 per cent last year, up from RM121.5 billion in 2010 to RM145.7 billion in 2011. Malaysian exports to these countries rose by 14.0 per cent to RM76.1 billion, while its imports increased by 27.0 per cent to RM69.6 billion. The country's major trading partners in the OIC are Indonesia, United Arab Emirates and Saudi Arabia.

Member states of the **Asia-Pacific Economic Cooperation (APEC)** also had a good 2011, particularly with the Honolulu Declaration. This is an effort to address next generation trade and investment issues as stepping stones towards the formation of the FTA of the Asia Pacific (FTAAP). APEC economies agreed to work towards the reduction and elimination of tariffs in environmental goods by 2015, and firm commitments were also made in fuel subsidy phase-outs, energy intensity reduction, energy efficiency, low-emission development

and the prohibition of illegal logging. As an emerging sector, the green industry offers relief to a global economy which is heading for a definite downturn and in dire need of an impetus to growth.

However, the major achievement of the Honolulu Declaration was the APEC New Strategy for Structural Reform (ANSSR): a regulatory reform agenda that seeks to embed the concepts of non-discrimination, transparency and accountability into the regulatory cultures of APEC economies. During the summit, APEC Leaders identified

specific priorities for structural reform in their economies until 2015, with Malaysia's ANSSR priorities being based on Economic Transformation Programme (ETP) initiatives and the on-going Government Transformation Programme (GTP). These include modernising business regulations, developing competitive and resilient small and medium enterprises (SMEs) and improving the representation of women in decision-making positions within GLCs and the corporate sector. Malaysia also intends to significantly improve its efficiency according to the four indicators used in the World Bank's Ease of Doing Business Report:

starting a business, enforcing a contract, trading across borders and dealing with construction permits.

Moving forward, APEC economies may find it challenging to meet the many commitments and deliverables they agreed to in 2011, particularly in green and environmental issues. Nonetheless, member economies are confident in their resolve in achieving the Bogor Goals. Malaysia's own path towards the Bogor Goals is clear: with enhanced participation and engagement in APEC initiatives, the country will be one of the main contributors towards APEC's collective targets.

Rising Productivity, Improved Competitiveness

The year 2011 was a challenging time for increasing productivity, because of the debt crisis in the Euro zone and supply chain disruptions due to natural disasters. Nevertheless, Malaysia performed well in boosting productivity gains.

Malaysia's productivity grew 4.6 per cent on strong domestic demand. Most notably, the agriculture sector grew by 6.2 per cent due to improvements in yield which resulted in higher productions of crude palm oil and the implementation of some of the agriculture Entry Point Projects (EPPs) such as swiftlet breeding, herbal cultivation, aquaculture and large scale commercial farming. Meanwhile, services grew 4.9 per cent, driven primarily by productivity gains in communication, wholesale and retail trade and real estate and business services.

By comparison, productivity growth in selected Organisation for Economic Co-operation and Development (OECD) countries was lowered by the abovementioned adverse economic conditions. While the global economic slowdown impacted Malaysia's export performance, Malaysia's productivity growth nevertheless exceeded the growth figures recorded by most OECD countries. Malaysia's productivity growth of 4.6 per cent surpassed Republic of Korea (2.1 per cent),

Finland (1.9 per cent), USA (1.2 per cent), UK (0.5 per cent) and Japan (-0.2 per cent). Among selected Asian countries, Malaysia's productivity growth was higher than Hong Kong SAR (2.7 per cent), Singapore (2.1 per cent), Chinese Taipei (1.9 per cent) and Thailand (-1.1 per cent). However the PRC, Indonesia and India registered higher growth rates than Malaysia at 8.7 per cent, 5.0 per cent and 4.8 per cent respectively.

The Malaysia Productivity Corporation (MPC) monitors and measures Malaysia's business competitiveness through the use of international competitiveness rankings. In the Global Competitiveness Report 2011-2012 (GCR 2011-2012) by the World Economic Forum (WEF), Malaysia was ranked 21st out of 142 countries, an improvement of five positions from the previous year. Malaysia was also recognised as being more business-friendly, as indicated by a higher index score of 5.08 out of a maximum score of 7. This increase of 0.2 reflected the strong fundamentals of the Malaysian economy as well as improved perception of the country.

Among the pillars of measurement used by GCR 2011-2012, the most noteworthy was the Institutions pillar, which improved by 12 positions to 30th position in 2011. In addition, Malaysia's strong financial sector was rated as being the third

best in the world, just behind Singapore and Hong Kong SAR.

Other rankings monitored by the MPC included the World Competitiveness Yearbook (WCY) by the Institute for Management Development (IMD) and the Doing Business (DB) report by the World Bank. Based on statistical data as well as an Executive

Opinion Survey, the WCY ranked Malaysia in 16th position out of 59 economies in 2011, from 10th in 2010. Meanwhile, the DB report, which measures regulations and their enforcement in terms of how they affect the ease of doing business, ranked Malaysia in 18th place out of 183 economies, an improvement of five places from 2010.

Ease of Doing Business, Overall Rankings 2007-2012

Economy	2012 (n=183)	2011 (n=183)	2010 (n=183)	2009 (n=181)	2008 (n=178)	2007 (n=175)
Singapore	1	1	1	1	1	1
Hong Kong SAR	2	2	2	3	4	5
New Zealand	3	3	3	2	2	2
USA	4	4	5	4	3	3
Denmark	5	5	6	5	5	7
Norway	6	7	10	10	9	9
Malaysia	18	23	23	21	25	25

Source: Doing Business, World Bank. **n** refers to number of participating countries

**NEW
PRODUCTS,
NEW
OPPORTUNITIES**

A power generator undergoing servicing.

Malaysia's pharmaceutical industry has the potential to capture a bigger share of the global market.

After decades of being Malaysia's primary growth engine, the manufacturing sector is undergoing a period of transformation and restructuring. The country is moving beyond low value-added assembly by investing in new high-value sub-sectors such as medical devices and green technologies. It is also catering to increasingly important growth markets such as the People's Republic of China, India and West Asia.

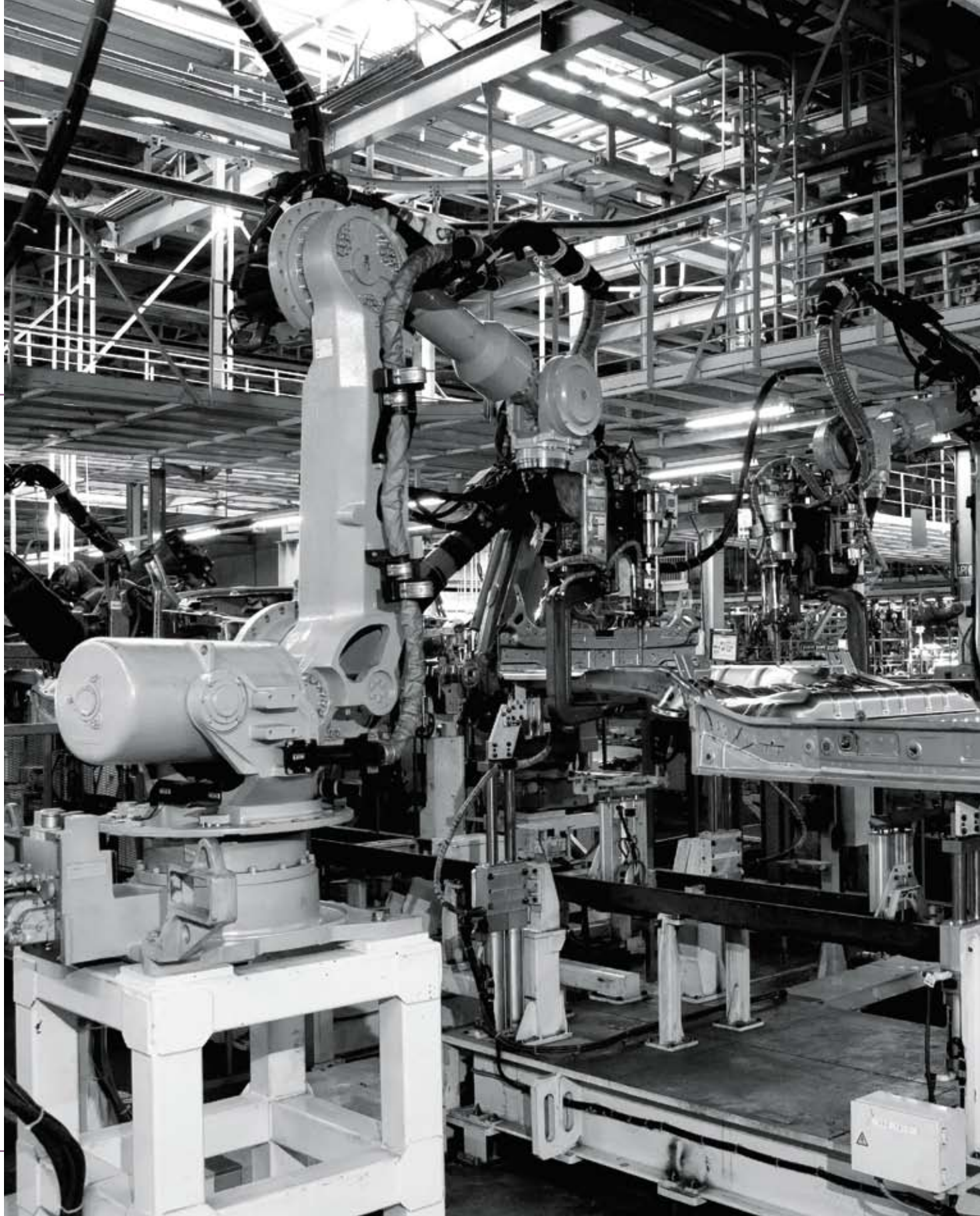
The global manufacturing environment faced several challenges in 2011. The combined earthquake and tsunami in Japan as well as the floods in Thailand disrupted manufacturing supply chains worldwide. The sovereign debt crisis in the Euro zone undermined the performance of exports of manufactured goods to that region. Public demonstrations in the Middle East also created economic uncertainty.



Automated automotive assembly.

All these factors contributed to a worldwide deceleration of manufacturing output in 2011. Malaysia's manufacturing sector was also affected and grew by only 4.5 per cent last year to RM161.6 billion, compared with 11.4 per cent in 2010. Overall, manufacturing accounted for 27.5 per cent of the country's GDP, which is close to the 27.6 per cent recorded the year before.

The lower demand for Malaysian products in developed economies in 2011 was compensated by strong demand for Malaysian exports in emerging economies such as the People's Republic of China (PRC), India and members of the Association of Southeast Asian Nations (ASEAN). In addition, strong domestic demand in Malaysia was led by a boost in private sector spending as well as



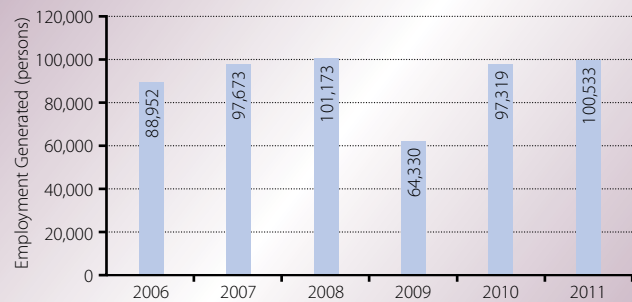
NEW PRODUCTS,
NEW OPPORTUNITIES

rising public sector consumption. The country's export-oriented industries managed to grow by 3.4 per cent in 2011, down from 9.7 per cent in 2010. However, emerging markets are targeted to become future centres of export growth. Domestic-oriented manufacturing was supported by keen domestic demand and increased by 8.9 per cent in 2011 compared with 15.6 per cent the previous year.

Overall, manufacturing production in Malaysia grew by 4.7 per cent, compared with 11.1 per cent in 2010. This growth was spearheaded by clusters such as fabricated metal, industrial chemicals and machinery and equipment. Gains in domestic-oriented industries made up for the slower growth of export-oriented industries, particularly in the electronics and electrical products (E&E) cluster.

Chart 1: Creating Employment Opportunities

Employment generated by approved manufacturing projects, 2006-2011



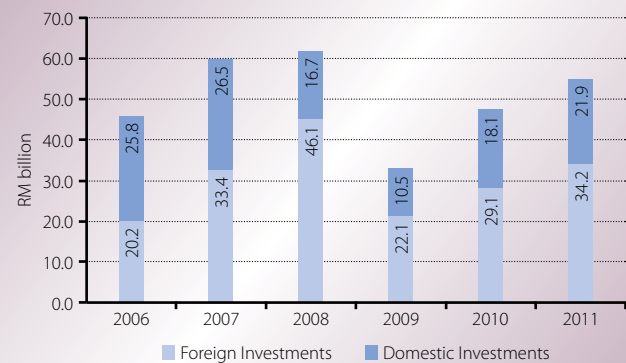
Source: Malaysia - Investment Performance Report 2011, MIDA

Investing in Future Growth Prospects

The Economic Transformation Programme (ETP) has identified manufacturing-related National Key Economic Areas (NKEAs) that require focused development and support. It aims to build up higher value-added sub-sectors such as LED lighting, solar panels and generic drug manufacturing. Growing foreign and domestic investments in these and other sub-sectors in 2011 demonstrates continued investor confidence in the future of Malaysia's manufacturing sector.

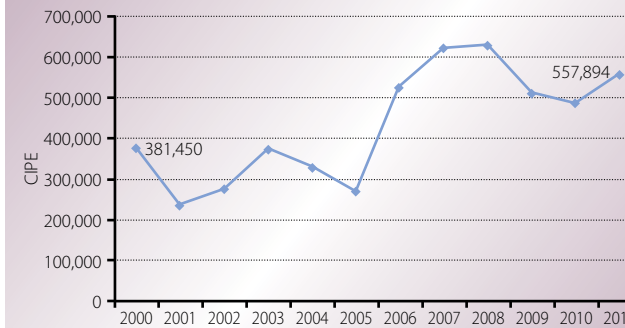
Low-cost manufacturing is no longer a competitive proposition in Malaysia. With the rise of labour-led economies such as the PRC, India and Viet Nam, the way forward for Malaysia's manufacturing sector lies in high value-added, high-technology industries. The Government's recent initiatives to stimulate investment in these industries

Chart 2: Domestic and Foreign Investment in Approved Projects, 2006-2011



Source: Malaysia - Investment Performance Report 2011, MIDA

Chart 3: Capital Investment Per Employee (CIPE) Ratio for Approved Projects, 2000-2011



Source: MIDA

have succeeded in gaining greater foreign and domestic interest. MIDA approved a total of 846 manufacturing projects valued at RM56.1 billion in 2011 compared with RM47.2 billion in 2010, more than double the average annual investment target of RM27.5 billion set in the Third Industrial Master Plan (IMP3).

Investments into the country's manufacturing sector continue to be led by foreign investors. They accounted for 60.9 per cent of total

investments in 2011, with RM34.2 billion worth of investments. Domestic investments amounted to RM21.9 billion, or 39.0 per cent of total investments. All told, these projects are expected to generate a total of 100,533 employment opportunities, of which 62.3 per cent are in the managerial, professional, technical, supervisory and skilled manpower categories (see Charts 1 and 2).

The general trend towards more capital-intensive, high value-added projects also sees an increasing Capital Investment Per Employee (CIPE) ratio of approved manufacturing projects. The CIPE ratio of approved manufacturing projects increased by 15.1 per cent to RM557,894 in 2011 compared with RM484,767 in 2010. This ratio has risen consistently since 1990, when it was first recorded as RM167,638. Between the year 2000 and 2011, the overall trend has been a rise in CIPE (see Chart 3).



Mr. Mohammad Sanusi Abd. Karim

MITI Tokyo

MITI Tokyo enhanced trade and investment ties between Malaysia and Japan through visits, meetings and advisory assistance. In 2011, Prime Minister YAB Dato' Sri Mohd Najib Tun Abdul Razak, Minister of International Trade and Industry YB Dato' Sri Mustapa Mohamed and Deputy Minister (Trade) YB Dato' Mukhriz Tun Mahathir made a combined total of five visits to Japan, meeting with important Japanese business leaders. MITI also organised a roundtable meeting with Japanese importers of Malaysian products while cooperating with the Japan Malaysia Economic Association/Malaysia Japan Economic Association, Japan Foreign Trade Council and major Japanese financial institutions to promote investment in Malaysia.

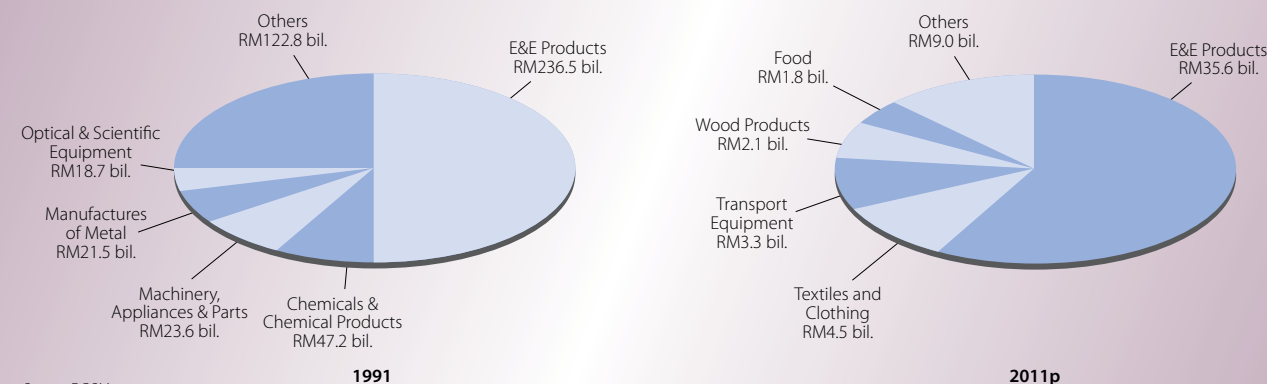
In 2011, Japan was the largest source of foreign investments in manufacturing, with 77 approved manufacturing projects involving a total of RM10.1 billion, most of which (RM9.1 billion) came from approved investments in E&E. The other major sources of foreign investment in manufacturing consisted of the Republic of Korea, the United States of America (USA), Singapore and Saudi Arabia.

The Northern Corridor Economic Region saw the largest amount of investments in approved manufacturing projects (RM15.3 billion). It was followed by the Sarawak Corridor of Renewable Energy (RM8.2 billion), Iskandar Malaysia (RM5.7 billion), East Coast Economic Region (RM4.6 billion) and Sabah Development Corridor (RM0.9 billion).

Valuable Markets for Malaysia's Exports

Malaysia's export-oriented industries grew at a slower pace of 3.4 per cent in 2011 compared

Chart 4: A Broadening Export Portfolio, 1991-2011
Total Exports of Manufactured Goods



Source: DOSM
p indicates preliminary data

with 9.7 per cent in 2010. The manufacturing sector was cushioned from the worst of the troubled global economy due to its diverse portfolio of exports (see Chart 4). Strong regional demand for the output of the primary-related cluster continued to support growth of the export-oriented industries, driven mainly by refined petroleum products as well as chemicals and chemical-related products. The continued boom of the PRC and India drove demand for non-E&E manufactured goods, while exports to Japan and Thailand remained

robust despite their natural disasters. Malaysia's trade even grew vigorously in the West Asia region despite the unrest in the area.

Exports increased by 8.7 per cent in 2011 compared with 15.6 per cent in 2010, mainly because of a contraction in exports of E&E products reflecting weaker external demand. Manufactured goods, which constitute 67.7 per cent of the country's total exports, grew by 2.0 per cent to RM470.3 billion (see Chart 4).



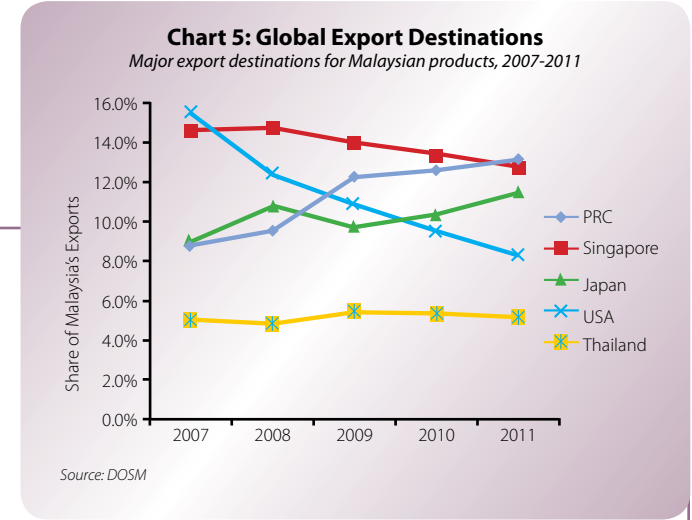
Ms. Fary Akmal Osman

MITI Bangkok

During the devastating flooding in Thailand in 2011, MITI Bangkok initiated an information-gathering visit on Malaysian companies in the high-tech industrial estates affected by the floods and briefed affected companies on post-flood incentives from the Thai government. MITI Bangkok also facilitated customs importation procedures from Malaysia for items such as consumer products, machinery and equipment, and assisted companies requiring temporary expansion of their factories in Malaysia as a result of the flooding.



Malaysia's food manufacturers are pursuing opportunities in the global halal market.



Indeed, Malaysia's exports grew in all sub-sectors with the exceptions of E&E, wood products and transport equipment.

The sub-sectors of chemicals, machinery, and fabricated metal registered double-digit growth in exports in 2011. There was also a notable spike in exports for new products such as medical devices, aircraft parts and equipment as well as energy saving devices. These products represent future growth areas for the sector.

In 2011, the PRC became Malaysia's largest export destination for the first time (see Chart 5). Exports to the PRC amounted to RM91.2 billion, up by 13.9 per cent from 2010. Nearly 70.0 per cent of these exports were manufactured goods, including E&E products, chemicals and chemical products as well as rubber products.

Singapore was the second largest buyer of Malaysia's exports, accounting for 12.7 per cent of the country's total exports.

E&E exports made up the largest portion (36.5 per cent) of these exports.

Exports to Japan, Malaysia's third largest trading partner, rose by 19.8 per cent in 2011 to RM80.0 billion. Much of these goods will be used in Japan's construction sector and to rebuild its energy infrastructure. Similarly, although the flooding in Thailand impacted the supply chain for the automotive and the E&E sectors, Malaysia's exports to the country still expanded by 4.6 per cent to RM35.7 billion on the back of a high demand for manufactured goods such as chemicals, machinery and fabricated metal.

Medical and healthcare industries help to enhance the quality of life in Malaysia.

Other notable export destinations included South Asia, where export growth of 28.3 per cent was driven by higher exports to India in 2011. Malaysia's exports to India surged by 34.6 per cent on high demand for E&E products, crude petroleum and palm oil. The Malaysia-India Comprehensive Economic Agreement (MICECA) will further boost market access for petroleum products, palm oil and chemicals in India.

Meanwhile, exports to West Asia increased by 15.1 per cent in 2011. The region remained a steady growth market for exports despite the political changes and unrest in some Middle East countries.

Overall, emerging economies in Asia (including West Asia) accounted for 71.3 per cent of Malaysia's exports in 2011, while the developed economies of US and EU only accounted for 8.3 per cent and 10.4 per cent of the country's

exports respectively. These Asian economies are relatively insulated from financial instability in the Euro zone and the slowing US economy, and they will continue to grow in importance in 2012 and beyond.

A Directional Shift for Electronics

Global economic uncertainties hampered the **E&E industry** in 2011, impacting Malaysia's E&E exports by 5.4 per cent. Nevertheless, the sub-sector continued to be the country's most dominant export category with a 50.3 per cent share of manufactured exports.

Most notably, E&E exports to India increased by RM1.79 billion to RM6.6 billion, representing a 23.4 per cent share of overall exports to the country. This marked increase can be attributed to significantly higher foreign investment in manufacturing activities in India.

Turun Padang Visit: Silterra Malaysia

On 16 October 2011, YB Dato' Sri Mustapa Mohamed travelled to Kulim High Tech Park, Kedah to visit **Silterra Malaysia Sdn Bhd's** semiconductor foundry, ranked by Gartner as a World Top 20 facility. A home-grown technology success story, the company employs 5,500 direct and indirect workers with an average monthly wage of RM4,600, exceeding the New Economic Model target for 2020. Silterra's internship programme helps nurture graduates for high value industries and creates a pool of potential recruits for its hundreds of science and engineering positions.



“...it is significant that the company has chosen to locate its plant in Malaysia. It confirms that we have the ability to host high-technology investments, and that we have the necessary infrastructure, facilities and skilled manpower to meet the needs of these kinds of investments.”

YB Dato’ Sri Mustapa Mohamed, Minister of International Trade and Industry, Ground- Breaking Ceremony, National Instruments’ R&D and Operations Facility, Penang, 22 June 2011

E&E exports to the USA declined by 14.5 per cent, mainly due to lower demand for business computing machines and the relocation of some manufacturers to lower-cost producing countries.

However, some sub-sectors within E&E showed improved performance: The semiconductor devices, integrated circuits, transistors and valves sub-sector rose 9.3 per cent, while the telecommunication equipment and parts sub-sector improved by 10.1 per cent. In addition, the small but significant electro diagnostic apparatus, medical and radiological apparatus sector achieved a growth spike of 54.1 per cent.

The ETP has earmarked the E&E industry to drive the growth of Malaysia’s high-income economy, specifically within four sub-sectors of the industry: semiconductors, solar panels, light-emitting diodes (LEDs) and industrial

electronics and home appliances. These sub-sectors further emphasise Malaysia’s shift towards higher value-added and technology-intensive E&E products. In 2011, Malaysia managed to complete 94.0 per cent of all E&E NKEA project implementation targets for 2015.

The E&E industry also attracted a total of 129 projects with investments of RM20.1 billion in 2011. Singapore was a major source of investments with RM2.5 billion in approved projects in 2011. Multinational corporations such as Intel, IDT, Sony and Infineon continued to invest in research and development (R&D) in Malaysia. One significant approved project for the consumer electronics sub-sector involved investments of RM1.4 billion for the design, development and production of LCD TVs, audio/video products and peripheral devices.

Research and development activities are needed to grow a high-income economy.



Mdm Wan Suraya Wan Mohd Radzi

MITI Singapore

YB Dato’ Sri Mustapa Mohamed visited Singapore three times in 2011 to promote interaction and investments involving the two countries. Events during these visits included the Malaysia-Singapore Business Forum 2011 and the EuroCham Singapore Europe Day Celebration. During 2011, MITI Singapore organised a Roundtable on Opportunities in the Education Sector for Singapore SMEs in Iskandar Malaysia, in conjunction with International Enterprise (IE) Singapore. In addition, MITI Singapore helped to arrange for a visit to Iskandar Malaysia by a delegation of ASEAN and Foreign Ambassadors to promote investment opportunities.



Ms. Normah Osman

MITI Brussels

MITI Brussels coordinated an event-filled working visit by YB Dato' Sri Mustapa Mohamed to Belgium on 11 July 2011. The visit included one-on-one meetings with three Belgian companies regarding their investment plans in Malaysia, interview sessions with journalists from Reuters and New Europe and a bilateral meeting with Mr. Karel de Gucht, Trade Commissioner of the EU.



MITI promotes innovation as a key driver of national economic transformation.

Malaysia is the world's third largest exporter of solar panels, and the solar panel industry continues to yield many new opportunities for both local and foreign investors. The solar industry contributes 71.5 per cent of all approved investments in the electrical sub-sector, and over a third of all approved investments in the overall E&E industry. In 2011, solar industry investments came from Tokuyama, Q-Cells, Sun Power, First Solar, and MEMC. New approved solar projects in 2011 included an integrated solar operation for a wholly foreign-owned company with proposed investments of RM4.5 billion to undertake the design, development and manufacturing of silicon photovoltaic wafers, cells and modules.

Chemical Gains

The **chemicals and chemical products industry** remains the second largest

contributor to Malaysia's total manufactured exports. Although the country imported more chemical products than it sold in 2011, the trade deficit in this sub-sector reduced to RM3.9 billion in 2011 from RM4.5 billion in 2010 due to brisk exports, which grew 16.0 per cent to RM47.2 billion.

The PRC, Indonesia, Thailand, Singapore and Japan were the top five markets for Malaysia's chemical products in 2011, due to the higher manufacturing activities in those countries. Alcohols, phenols and their derivatives made up the largest chunk of exports, which surged by 32.3 per cent to RM11.2 billion in 2011. Meanwhile, the output of hydrocarbons and their derivatives swelled by 27.4 per cent to RM3.4 billion.

Malaysia's **petrochemical and plastics industry** has been facing a shortage of capacity in recent years, and although the country's exports of these products increased

by 6.1 per cent to RM13.6 billion in 2011, its imports also rose by 1.0 per cent to RM8.2 billion.

To address this capacity shortage, Malaysia has embarked on capacity-building programmes to further boost the country's exports of chemicals and chemical products while enhancing the knowledge and employability of the local workforce in the sub-sector. In 2011, the United Nations Institute for Training and Research (UNITAR), together with the International Labour Organisation (ILO) carried out a capacity building project for the Globally Harmonised System on Classification and Labelling of Chemicals (GHS). The UNITAR-GHS Project was funded by the European Union and coordinated by MITI, with GHS awareness programmes and activities carried out by various agencies in 2011 and continuing into 2012. Malaysia is also currently planning to coordinate the Regional GHS Workshop for 2012.

Malaysia's medical services have achieved world-class standards.

Building a More Competitive Healthcare Industry

The ETP has identified strategic opportunities for the **pharmaceutical and medical device industries** under the Healthcare NKEA. An increasing number of major drugs will lose their patent protection over the next few years, creating opportunities in the generic pharmaceuticals business. To incentivise the manufacture of local pharmaceuticals, the Economic Council has approved a scheme for Government procurement of new locally manufactured pharmaceuticals.

Malaysia's exports of **medicinal and pharmaceutical products** declined by 17.9 per cent to RM818.0 million in 2011. Meanwhile, exports of **medical devices** grew from strength to strength and hit a new high of RM12.8 billion in 2011, driven by strong demand for surgical and examination gloves (RM9.9 billion), dental and ophthalmic instruments and appliances (RM1.0 billion)

and electromedical equipment (RM0.4 billion). The USA, Europe and Japan were the major export destinations for these products in 2011. Malaysia's own medical devices market is valued at about RM2.8 billion, and is expected to be worth RM5.3 billion by 2015. The industry saw RM266.6 million in investments into high-end, high value-added products involving R&D, including a RM180.0 million manufacturing project for contact lenses with silicon hydrogel.



Turun Padang Visit: Pharmaceutical Chemical Company of Malaysia

On 17 March 2011, YB Dato' Sri Mustapa Mohamed visited the Pharmaceutical Chemical Company of Malaysia (CCM) for a one-to-one session discussing issues relating to the halal pharmaceuticals industry. CCM is the largest local Good Manufacturing Practice (GMP) certified manufacturer of generic pharmaceuticals. The company's over-the-counter health supplements are certified as halal by JAKIM and are exported around the world to meet the demand for safe and hygienic products fit for consumption by Muslims.

Advancing the Aerospace Industry

The aerospace industry achieved the majority of its KPIs for revenue in 2011, including RM1.2 billion in revenue from component maintenance, repair and operations (MRO) and RM0.8 billion in revenue from airframe MRO.

An electrical coil being examined.

Turun Padang Visit: Favelle Favco

On 17 October 2011, YB Dato' Sri Mustapa Mohamed arrived at the **Favelle Favco Bhd** facility in Senawang Industrial Park, Negeri Sembilan on an outreach visit to learn about the successful crane design and manufacturing business. Favelle Favco Bhd supplies cranes to some of the tallest structures in the world and is one of the top five crane suppliers for the Oil and Gas industry. The company employs 75 design engineers and offers an average salary of RM4,600 per month, with some highly qualified technicians earning as much as RM13,000 per month.



To support this fledgling but potentially lucrative industry, the Aerospace Malaysia Innovation Centre (AMIC) was launched during the 2011 Langkawi International Maritime and Aerospace (LIMA) exhibition. AMIC will carry out aircraft structure manufacturing R&D activities as well as serving as a top-level study and training centre for the industry. LIMA in 2011 continued to serve as an effective platform for promoting local aerospace products and services, with over 100 airlines attending the event.

Developing a Regional Machinery and Equipment Hub

The Machinery, Appliances and Parts industry continued to grow in 2011. Malaysia's exports of machinery and equipment products increased by 11.1 per cent to RM23.6 billion. A 6.0 per cent share of these exports went to ASEAN countries, representing a 13.5 per cent increase from 2010. These products include air conditioners, air pumps and compressors, fans as well as mechanical handling equipment.

The Government has identified several sub-sectors under the machinery and equipment (M&E) engineering supporting industries (ESI) for further development such as the Malaysian mould and die industry, which leads the region in terms of quality. The Government has also taken initiatives to uphold M&E product safety and quality through the development of a total of 321 Malaysian Standards (MS) in 2011. It is also reviewing import duties to reduce reliance on M&E imports from Japan, the PRC and the USA.



Human capital development is essential for the automotive industry.

Turun Padang Visit: MIR Valve

On 21 October 2011, YB Dato' Sri Mustapa Mohamed made an outreach visit to **MIR Valve Sdn Bhd**, which designs and manufactures high quality valves for the oil, gas and energy industries. The company, which is an important vendor for Shell and Petronas, shared its knowledge and concerns with MITI during this visit. With sales targeted to reach RM100.0 million in 2012 and business links to 60 Malaysian SMEs, MIR Valve is an important part of the oil and gas machinery value chain.

excise duty exemptions for hybrid vehicles in Budget 2010 and growing environmental awareness among consumers. MIDA has also approved a new RM856.0 million electric and hybrid commercial vehicle manufacturing and assembly plant.

The industry made additional progress in implementing initiatives relating to the National Automotive Policy (NAP) Review 2009, which will ultimately pave the way for industry liberalisation in NAP Review 2012. Four types of used automotive components were phased out, while 35 additional ECE Regulations were gazetted to support the implementation of Vehicle Type Approval (VTA) process. Proton in collaboration with MITI and the Ministry of Energy, Green Technology and Water (KeTTHA) commenced its Fleet Test Vehicle (FTV) Programme, a crucial step towards the development of Malaysian-made electric vehicles.

Companies in the engineering supporting industries (ESI) are also upgrading to the production of higher value-added components and precision parts. ESI investments in 2011 included a RM36.8 million diversification project to manufacture precision metal stamped and turned parts, machining, tools and dies for the E&E industry, as well as a RM16.4 million project for precision machining plastic and metal parts for the medical, aerospace and oil and gas industries.

Supporting the Automotive Industry

Supply chain disruptions in Japan and Thailand hampered automotive production in 2011, with output declining by 6.0 per cent to 533,515 passenger cars and commercial vehicles. However, these events did not have much impact on sales, which only dropped by 0.8 per cent.

Sales of hybrid vehicles surged from 328 units in 2010 to 8,334 units in 2011 as a result of the

Turun Padang Visit: MODENAS

Motosikal Dan Enjin Nasional Sdn Bhd

(MODENAS) spearheads the technology transfer and development of motorcycle manufacturing in Malaysia. YB Dato' Sri Mustapa Mohamed visited the MODENAS facility in Gurun, Kedah, to gain a better understanding of the company's strategy and direction. MODENAS has a workforce of 800 with over 150 engineers, and the plant is one of the most modern in South East Asia with the capacity to produce 240,000 units of motorcycles per year.



Malaysian-made motorcycles.

The Malaysian and Japanese automotive industries renewed their successful partnership in 2011, with both countries agreeing to extend three projects in the Malaysia-Japan Automotive Industry Cooperation (MAJAICO) programme beyond the original five-year programme. The Malaysian automotive

industry also initiated additional partnerships in the area of human capital development, signing three MOUs with various organisations to boost design and engineering capability and training enhancement in the automotive industry.



Turbine maintenance at this power plant helps to keep Malaysia's industries running.

Improving Iron and Steel Industries

In 2011, **iron and steel** product exports amounted to RM10.2 billion while exports of non-ferrous metal products amounted to RM10.9 billion. ASEAN countries proved to be enthusiastic customers for these Malaysian goods, accounting for RM4.7 billion out of overall exports. The World Steel Association estimated that global steel consumption grew by 6.5 per cent in 2011, and will grow a further 5.4 per cent in 2012 despite the slow recovery of the US economy and the European sovereign debt crisis.

In 2011, mandatory standards were implemented on six aluminium products to raise quality in line with both domestic and international requirements.



The wood products industry covers products such as cut timber, plywood and furniture.

Light Industries Continue to Grow

Malaysian exports of **textiles and apparel** grew by 15.9 per cent to RM10.8 billion in 2011, exceeding the 2008 export record (RM10.5 billion) after three years of recovering growth. Primary textile product exports grew 16.7 per cent to RM6.7 billion, with Turkey and the PRC buying over 20.0 per cent of the country's textile exports. Exports of apparel and clothing accessories also increased by 14.6 per cent to RM4.1 billion, over 44.0 per cent of which went to the USA (RM1.8 billion).

Meanwhile, exports in the **wood** products industry stayed steady at RM14.5 billion in 2011, dropping 2.2 per cent from 2010. It was largely supported by a surge in exports to Japan, which bought 24.5 per cent more Malaysian wood products in 2011 compared with 2010, mostly for the country's reconstruction efforts. The new eco-point programme for construction and renovation also stimulated demand for materials such as plywood and veneer.

Malaysian companies are continuously developing new products.



The **rubber** products industry performed admirably in 2011, selling RM18.1 billion in exports. The industry's growth of 13.2 per cent was impressive in the face of subdued demand, high raw material costs and a weak US dollar. Weather conditions and rubber tree bark disease constrained supply from rubber producing countries, and Thailand's new export cess rate further raised the cost of making rubber products in Malaysia.

However, exports for **non-metallic mineral** products grew by 14.0 per cent in 2011 to RM5.7 billion, with glass and glassware continuing to be the industry's largest business, accounting for 47.0 per cent of total exports in this sub-sector. Glass is an important part of high technology devices such as hard disc drives, liquid crystal displays and solar panels, and the industry is set to remain relevant as Malaysia moves up to higher value-added exports.

Diverse Trade in Food and Beverages

Malaysia remains a net importer of **food and beverages**. Imports grew nearly twice as fast as exports (25.2 per cent vs 13.0 per cent) in 2011. Malaysian consumers purchased RM3.4 billion of processed food, RM3.4 billion of sugar and sugar confectionery products and RM2.5 billion of dairy products last year. Malaysia's RM15.6 billion of exports in this sub-sector include cocoa (RM3.9 billion) and beverages (RM2.1 billion).

Malaysia's position as the world's second largest producer of edible bird's nests faced increased challenges in 2011 when the PRC banned Malaysian-made bird's nest products. As a result, exports in this industry

slowed by 35.1 per cent last year, down to RM973.0 million. PRC authorities have since announced their intention to lift the ban upon determining the permissible level of nitrite for these products, and the swiftlet business is expected to resume its strong growth in 2012.

The **oil palm** products sub-sector also grew by 34.5 per cent in 2011 to RM80.3 billion, although this growth was mostly due to higher export prices rather than volume. Competition from Indonesia challenged the Malaysian palm oil industry in 2011. A new export duty structure for palm oil products allows Indonesian refiners to offer more competitive prices for refined palm products.



Mr. Syahril Syazli Ghazali

MITI Jakarta

In 2011, Indonesia assumed chairmanship of ASEAN, adding new importance to the work of MITI Jakarta. Indonesia hosted a wide range of meetings, seminars, forums, conferences and other ASEAN-related events throughout the year. Several high profile visits by the Minister of International Trade and Industry YB Dato' Sri Mustapa Mohamed took place, including at the ASEAN Summit in Jakarta (May 2011), the ASEAN Economic Ministers Meeting in Manado (August 2011) and the ASEAN Summit in Bali (November 2011). MITI Jakarta took advantage of these visits to arrange side meetings with local business leaders, especially potential investors.



Malaysia continues to lead the world in the production of sustainable palm oil.

Outlook: Continued Transformation in 2012

The E&E industry is expected to further support the ETP in 2012 through its focus on smart and green products such as semiconductors, solar panels and LEDs. Strategies Unlimited, a market research company specialising in the photonics industry, expects LED general lighting to see an average growth rate of 20.0 per cent worldwide through to 2016.

Malaysia is well positioned to benefit from these developments as well as global trade agreements. Its E&E industry has long benefited from the Information Technology Agreement (ITA) adopted at the World Trade Organization (WTO) in 1997, which promoted the global trade of information technology products through the elimination of duties. In 2012, the ITA may be amended to include expanded coverage of

products, new membership and discussion of non-tariff barriers to trade, giving the E&E industry a significant boost.

Besides the ITA, Malaysia has pursued several other bilateral and multilateral trade negotiations to ensure the continued success of its manufacturing sector. A successful conclusion of the Malaysia-Australia Free Trade Agreement (MAFTA) negotiations in 2012 will help to address high tariffs on E&E products, textiles and apparel as well as auto parts.

The Source ASEAN Full Service Alliance (SAFSA) programme, initiated by the ASEAN Federation of Textile Industries (AFTEX) and funded by the US Government, is designed to enhance, advance and promote the ASEAN region as a full service supplier of quality textiles and apparel. This programme will also conclude in 2012.

Under the National Automotive Policy (NAP) Review 2009, four types of used automotive components have been phased out.



Liberalisation and Diversification

Malaysia's Budget for 2012 provided incentives for green technology through full duty exemption for electric vehicles and hybrid cars until 31 December 2013, which is expected to boost sales of such vehicles during the period of exemption. MITI also continued to promote the adoption of greener technology in industry through the Working Committee on Green Technology and Climate Change. The Honolulu Declaration of 2011 means that APEC economies will also work towards eliminating tariffs on green goods by 2015.

The proposed 2012 review of the National Automotive Policy (NAP) is expected to set out additional measures for driving exports and for making Malaysia a regional hub for hybrid, electric and environmentally friendly vehicles. Some segments of the industry are expected to see further liberalisation to boost the participation of foreign carmakers in local industries.

The rollout of several projects under the ETP, including the Mass Rapid Transit (MRT) project for the Greater KL Region, is expected to keep domestic demand for steel and iron products high in the immediate future. In addition, the expected liberalisation of policies in the metal industry in 2012 is expected to help enhance the competitiveness of the industry in both domestic and international markets.

A Balanced Economy

Moving forward, Malaysia's E&E industry will explore new products with high growth potential including advanced integrated circuits, high brightness light emitting diodes (HBLEDs), radio frequency (RF) devices and

Microelectromechanical System (MEMS) devices. The Government also hopes to turn Malaysia into a regional hub for the production, maintenance and distribution of high-technology machinery and equipment. The M&E industry will further benefit from the infrastructure projects to be implemented under the National Key Economic Areas (NKEA), such as the Greater KL Mass Rail Transit (MRT) system.

Because chemicals and chemical products serve as important components of other industries, the future performance of the chemicals and chemical products industry will be impacted by developments in manufacturing industries, particularly those

in the PRC and ASEAN countries, while the future performance of the petrochemical industry is tied to the increase in capacities in Asia and West Asia which will affect product prices. To address the shortage in capacity, Petronas plans to build the new Refinery and Petrochemical Integrated Development (RAPID) project in Pengerang, Johor. This project, which is expected to be completed in 2016, has the potential to make Malaysia the leading Asian hub for oil field services.

Malaysia's exports of **halal-certified** food and beverage products totalled RM11.9 billion in 2011, and the outlook of the market for 2012 and beyond remains positive. The high-potential markets of the PRC and India both have significant Muslim populations, and both countries are becoming increasingly interested in Malaysian products. Malaysia's traditional herbs and resources will also create opportunities for new halal health foods and health products.



Malaysia's well-developed highway system helps to bring products faster to market.

Moving Forward

On the whole, Malaysia's manufacturing sector growth is projected to reach 3.9 per cent in 2012 as export-oriented industries wait for the economies of the developed countries to strengthen. The manufacturing sector needs to continue its transformation in 2012, as it makes the shift from low value-added products towards knowledge-driven, high value-added goods.

Continued growth momentum will come from new offerings such as green technology coupled with strong regional demand for Malaysian resource-based products. The implementation of the national minimum wage policy in 2012 will also benefit low-paid employees while encouraging employers to increase their productivity and competitiveness globally. In addition, The Soft Loan Scheme for Automation and Modernisation (SLSAM), introduced to reduce industrial reliance on labour, has been extended under the Tenth Malaysia Plan with another RM100.0 million allocated for the rolling period covering 2011-2012.

**MAKING
THE LEAP TO
SERVICE-DRIVEN
GROWTH**

Malaysia's increasingly skilled and well-trained workforce is the basis for the growing domestic market for services.

Local designers visualising next-generation motorcycles.

The manufacturing sector took Malaysia from being an agricultural economy to a global trading nation. Now, the country's future will depend upon its ability to diversify its national economy. Malaysia's services sector made a strong recovery in 2011 amid the global economic turmoil, underscoring its role as a prime growth driver for the nation's economic transformation.

Agriculture and manufacturing businesses serve a country well during its early years of growth, when a nation's workforce lacks skills and expertise. This used to be true for Malaysia, but not anymore.

Over the past three decades, Malaysia has become rapidly more developed, giving rise to an educated workforce that can work in the services sector as well as be a consumer of services (see Chart 1, pg 80).



The rise of this affluent workforce continues to fuel domestic demand for retail, financial and real estate services, a shift that has significantly raised the GNI per capita of Malaysians (see Chart 2). The country now has the opportunity to achieve an impressive transformation from a manufacturing-based economy to a service-based economy, thus further driving up its per capita income.

The Economic Transformation Programme (ETP) hopes to make the services sector account for 65.0 per cent of Malaysia's GDP by 2020. The sector remained on track to meet that goal, growing by 6.8 per cent to RM344.5 billion in 2011, thus contributing 58.6 per cent to the country's GDP compared with 57.7 per cent the previous year. Private-sector services accounted for 86.3 per cent of this total (RM297.3 billion),

while government services accounted for the remaining 13.7 per cent (RM47.1 billion). Trade in services (excluding government transactions) increased by 6.6 per cent to RM221.6 billion in 2011.

Attracting Foreign Investments

Investments into the services sector rose by 75.5 per cent in 2011, keeping it on course towards becoming the country's primary engine for growth by 2015. Overall, 3,957 projects with an investment value of RM64.4 billion were approved in 2011 compared with RM36.7 billion the previous year (see Chart 3), which is just under the 2007 pre-crisis level of RM66.4 billion. This also exceeds the targeted total investment in this sector of RM45.8 billion under the Third Industrial Master Plan (IMP3).



Turun Padang Visit: Kuching, Sarawak

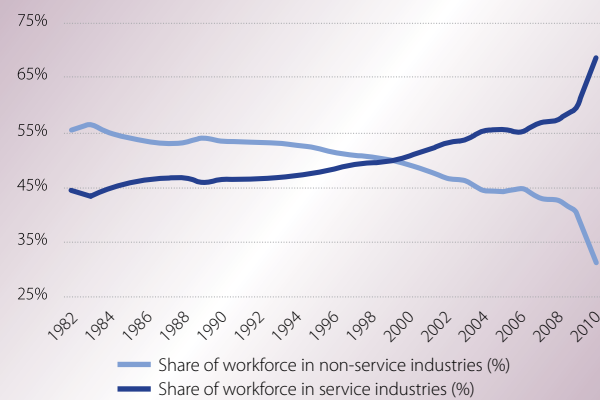
On 31 January 2011, YB Dato' Jacob Dungau Sagan conducted a visit to the Dayang Salhah Kek Lapis shop in Kuching, Sarawak to gain a better understanding of the needs and concerns of Malaysia's small and medium bakeries.

“Japanese investments in the non-manufacturing sector are few and small. Individually, ASEAN Member States are taking unilateral initiatives to liberalise their services sector. So I see a huge potential for doing business in this sector and I hope Japanese companies will give this matter greater attention.”

YB Dato’ Sri Mustapa Mohamed, Minister of International Trade and Industry, 8 July 2011

Chart 1: Changing Workforce

Malaysians are working in new industries and demanding new services

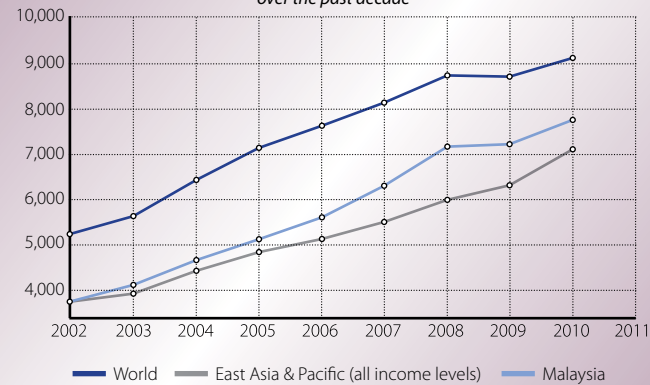


Source: DOSM

An important goal of the ETP is to make Malaysia one of the world’s preferred destinations for investment, particularly within the 12 National Key Economic Areas (NKEAs). The country’s skilled workforce and its solid financial and business environment attracted RM16.2 billion in foreign investments in 2011, nearly quadruple the RM4.1 billion it drew in 2010. This more than doubled the foreign share of total investments into the services sector to 25.2 per cent (see Chart 4) in 2011, while domestic investments of RM48.2 billion made up the remaining 74.8 per cent. The ETP target is for foreign direct investment to account for 27.0 per cent of total investments by 2020, and the services sector is thus already close to meeting this target.

Chart 2: GNI

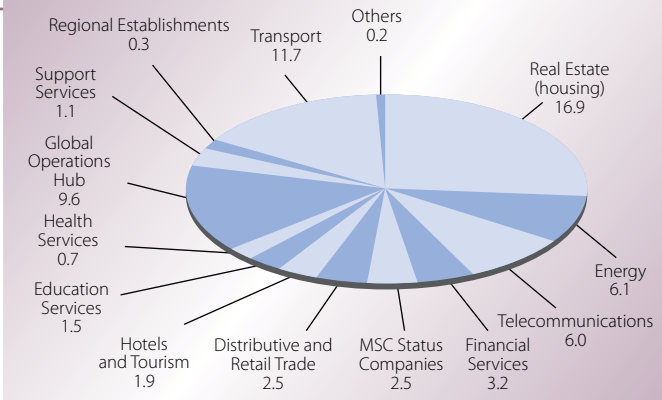
Malaysia’s Gross National Income (GNI) per capita has nearly doubled over the past decade



Source: DOSM

Chart 3: A Growing Sector

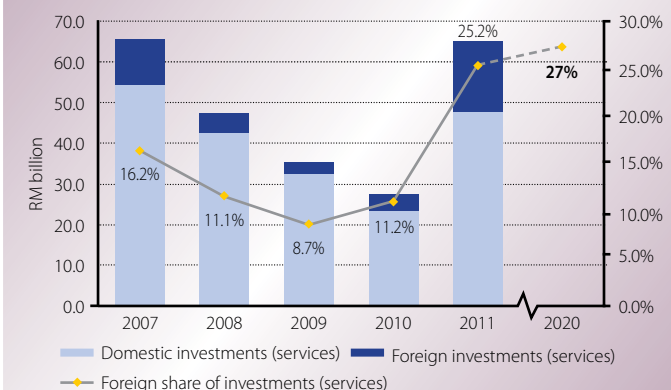
Investments into Malaysia’s services sector, 2011 (RM bil)



Source: DOSM

Chart 4: Rising Investment

Foreign investors return to Malaysia’s services sector



Source: DOSM

Installing a steel jacket for a facility in the oil and gas industry.

Promoting Greener Investments in Support Services

The country's green agenda is an important aspect of its development, and Malaysia has made several commitments towards better environmental management through the Copenhagen Accord and the Kyoto Protocol. These commitments not only ensure that the country does its part in curbing carbon emissions, but also encourage investors to take a long-term view of Malaysia's economic potential.

The Government is undertaking efforts in introducing the necessary "green" laws and regulations to support these commitments. These include the National Green Technology Policy (launched in July 2009), the Energy Commission (Amendment) Act of 2010, the Sustainable Energy Development Authority Act 2011 and the Renewable Energy Act of 2011. All these measures began to show results in 2011, when forty-eight new projects in renewable energy and energy conservation were approved, with total investments worth RM446.3 million.

The renewable energy projects include a renewable energy plant in Negeri Sembilan, two biogas energy plants in Sabah and a biomass energy plant in Sarawak.



Container ports, like this one in Johor, continue to serve international shipping demands.

Turun Padang Visit: Smart Reader Worldwide

Smart Reader Worldwide Sdn Bhd is one of the most successful children's education franchises in Malaysia, with more than 300 centres in Malaysia. This home-grown enterprise, which was previously awarded the National Mark of Malaysian Brand, successfully brought its educational services to the international stage with 150 centres now operating in the Philippines, the PRC, Thailand, Brunei Darussalam and the Middle East. YB Dato' Sri Mustapa Mohamed's visit was an extension of the existing relationship between SME Corp and Smart Reader Worldwide.



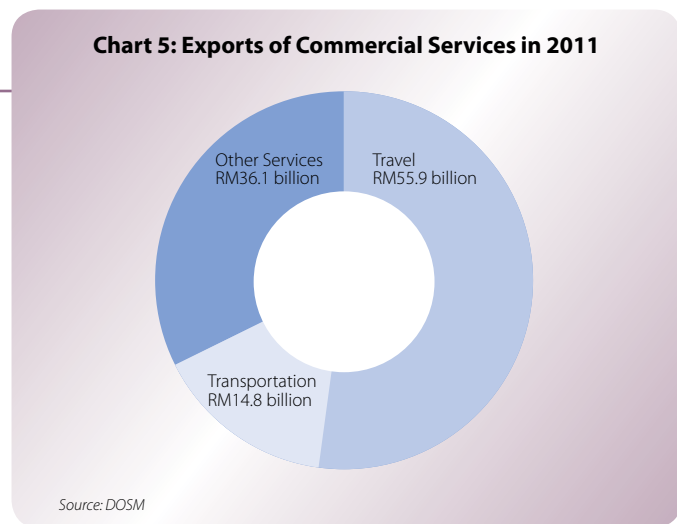
Service providers in these strategic industries are eligible for tax incentives for a period of five-to-ten years. The hotel industry has also shown a particular interest in adopting energy efficient systems and equipment in the construction of new hotels as well as for refurbishment and modernisation of their hotel operations – seven projects in energy efficiency that were approved in 2011 were undertaken by hoteliers.

A Growing Export Sector for Malaysia

Despite the increase of investment activity within Malaysia's services sector in 2011,

exports within this segment expanded by only 1.6 per cent in 2011, to RM106.8 billion from RM104.4 billion in 2010. As with the past five years, most exports came from the travel sub-sector (see Chart 5). Services imports stood at RM114.8 billion compared with RM102.8 billion the previous year, giving the sector a trade deficit of RM8.0 billion in 2011 compared with a surplus of RM2.2 billion in 2010.

This trade deficit was mainly due to lower expenditure among foreign travellers, although the total number of foreign travellers actually increased in 2011. At the same time, Malaysians



increased their spending during overseas travels for tourism or health treatments.

International shipping freight charges increased as a result of higher global fuel costs, which also contributed to the services trade deficit. Revenue from local shipping services dropped as a result of the impact of the Euro zone crisis on goods exports. The travel and transportation segments declined by 5.1 per cent and 1.7 per cent respectively in 2011, due mainly to the natural disasters in Japan and Thailand as well as the Euro zone crisis and the turmoil in West Asia.



Malaysian engineering and technical services are highly sought after, not just locally but also internationally.

However, exports of other services such as construction, ICT, insurance, financial and other business services increased by a healthy 17.0 per cent to RM27.1 billion, reflecting the Government's efforts to turn the business services sub-sector into a major contributor to the country's growth. Exports of Malaysian engineering services also registered strong growth of 15.8 per cent in 2011, giving the country an international project portfolio of over RM3.7 billion in key markets such as Indonesia, the People's Republic of China (PRC), Thailand and the Middle East.

The main markets for Malaysia's exports of services in 2011 were in Asia (especially ASEAN countries), the Middle East and Australia, and the country's services sector is thus largely insulated from the financial troubles of Europe and the sluggish US economic recovery. Nonetheless, growth in exports of services is

expected to moderate by 4.9 per cent in 2012 due to slower spending globally.

Exports of education services in 2011 amounted to RM663.7 million. Malaysia has about 93,000 foreign students currently pursuing their education in the country at various levels. As of 2011, there are 20 public universities and over 580 private institutions of higher learning in Malaysia, including several branch campuses of foreign universities. MIDA approved 357 projects worth RM1.5 billion in 2011 in this sub-sector, compared with 347 projects valued at RM2.3 billion in 2010.

Private Consumption Drives Growth in Retail and Distributive Trade

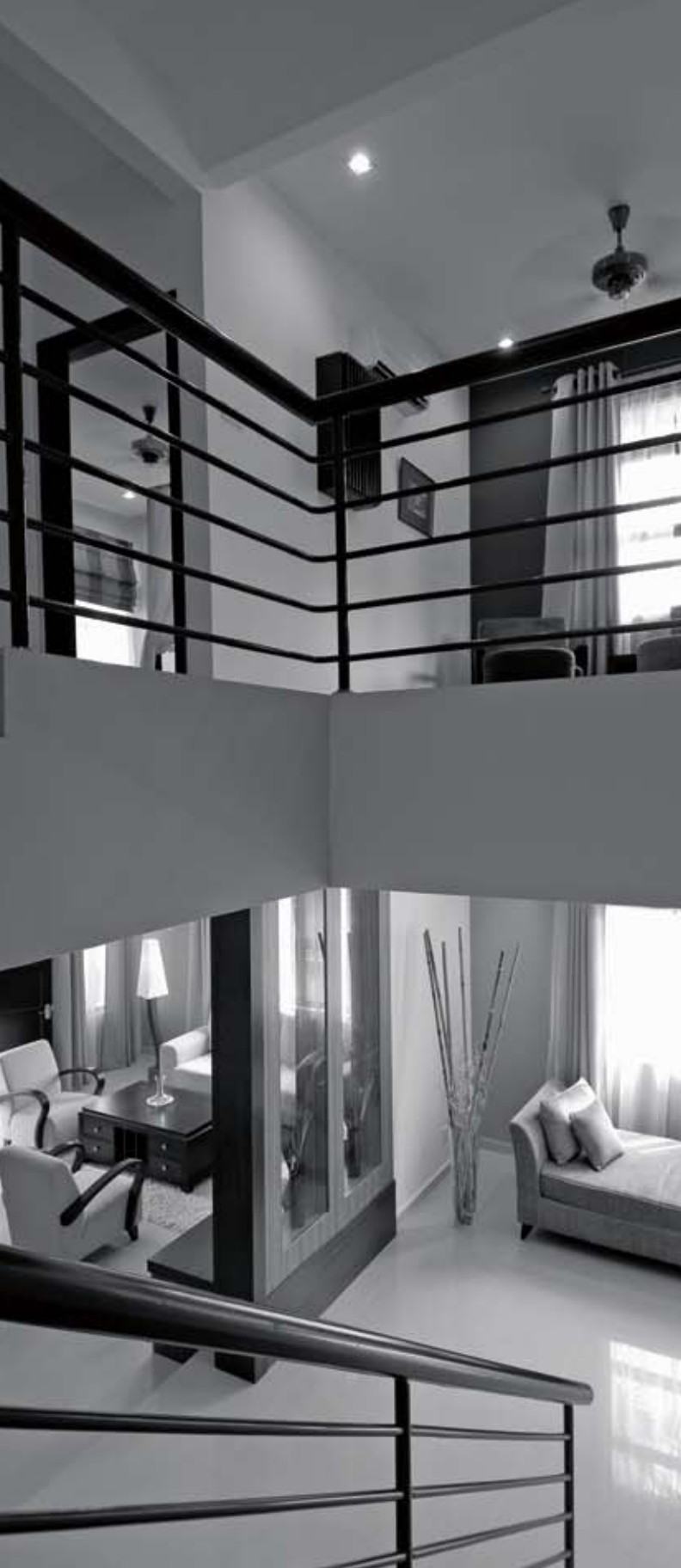
Malaysia's healthy domestic demand continued to stimulate the distributive trade sub-sectors, accounting for RM1.0 billion in foreign investments and RM1.5 billion in domestic investments in 2011.

A bustling commercial centre in the heart of Kuala Lumpur.

In spite of inflationary pressures caused by the reduction of the subsidy for RON97 petrol in the first half of 2011, the Malaysian Institute of Economic Research (MIER) Consumer Sentiment Index stayed above the 100-point mark throughout 2011, reflecting the country's sustained private consumption and positive consumer sentiment.

Nonetheless, global supply chain disruptions caused by the earthquake in Japan and floods in Thailand did impact the supply-side of the automotive and E&E segments retail sector when many large companies had to reschedule or cancel orders due to production delays. This was particularly evident in the sales of motor vehicles, which contracted by 0.9 per cent in 2011. Given these challenges, the sub-sector's growth of 7.6 per cent (see Table 1) in 2011 is promising, although somewhat less than the 8.0 per cent growth recorded in 2010.





Real estate services were highly active in 2011, as real estate prices in select areas soared in keeping pace with demand.

Real Estate and Communications Services

As a strategic NKEA under the New Economic Model, business and professional services remains one of the country's fastest-growing sub-sectors. Residential real estate attracted RM16.9 billion worth of investments in 2011, more than double the RM6.5 billion it attracted in 2010. Strong capital market-related activity also drove sustained growth in the real estate and business services sub-sector, which grew 6.3 per cent in 2011 compared with 7.8 per cent the previous year.

The ETP proposes to boost GNI contribution of this sub-sector to RM79.0 billion by 2020 and create nearly 250,000 jobs. In 2011, MIDA approved investments of RM163.0 million in 18 Operational Headquarters (OHQs). It also approved the establishment of six International Procurement Centres (IPCs) with investments valued at RM70.5 million as well as one Regional Distribution Centre worth RM10.1 million. In



SME Bank offers one-stop financing and business development for start-up entrepreneurs.

addition, 87 new regional and representative offices set up shop in Malaysia with a total investment of RM48.3 million.

The ICT sub-sector remains one of the country's most important strategic areas of growth as it affects both upstream and downstream business activity. Growth was led by the continued rollout of broadband services to the public, raising the country's broadband penetration rate to 62.3 per cent of households compared with 55.6 per cent the previous year. Initiatives to boost broadband connectivity, including the provision of broadband facilities in rural areas, had also contributed to the higher broadband penetration rate. Total investments in this sub-sector amounted to RM6.0 billion in 2011, all of which were domestic. In addition, a total of 215 companies were granted MSC Status with approved investments amounting to RM2.5 billion.

Table 1: Services Sector Performance at Constant 2000 Prices

	2010	2011 ^P	2010	2011 ^P
	Annual Change (%)		Share to GDP (%)	
Services	6.8	6.8	57.7	58.6
Intermediate Services	7.2	6.2	25.2	25.5
Finance and Insurance	6.4	5.9	11.7	11.8
Real Estate and Business Services	7.8	6.3	5.5	5.5
Transport and Storage	6.9	5.3	3.8	3.8
Communication	8.5	7.6	4.2	4.3
Final Services	6.5	7.3	32.4	33.1
Wholesale and Retail Trade	8.0	7.6	13.6	13.9
Accommodation and Restaurant	5.0	5.2	2.4	2.4
Utilities	8.2	3.0	3.0	3.0
Government Services	5.8	11.6	7.5	8.0
Other Services	4.0	4.1	5.9	5.8

Source: Bank Negara Malaysia Annual Report 2011

Bulk and grain cargo handling at Bintulu Port.



Manufacturing in this fertiliser plant is centrally controlled from this control room.



Transport Services: Moving with the Times

Air passenger traffic rose by 10.6 per cent to 65.3 million passengers in 2011. The cargo segment decreased by 2.1 per cent in the same year.

Cargo handling at Malaysia's five maritime ports of Klang, Penang, Kuantan, Bintulu and Tanjung Pelepas contributed 79.4 per cent of the total of 495.0 billion freight weight tonnes (FWT) in 2011. The five ports contributed 92.4 per cent of the total container handling throughput of 20.0 billion twenty-foot equivalent units (TEUs).

A healthcare expert examines the results of a CT scan.

Tourism and Healthcare

The tourism sector recorded 24.7 million tourist arrivals in 2011, up from 24.6 million in 2010. Tourism receipts climbed 3.2 per cent to RM58.3 billion, up from RM56.5 billion the previous year. Double-digit growth in arrivals were recorded mainly from medium and long-haul countries like Kazakhstan, New Zealand, Russia, Iran, South Africa, France, Myanmar, the PRC and Chinese Taipei.

In 2011, medical tourism grew by 48.4 per cent from 583,295 foreign patients. As in previous years, the bulk of medical tourists to Malaysia in 2011 came from Indonesia. Another NKEA, the healthcare sub-sector in Malaysia is expected to contribute RM50.0 billion in GNI by 2020 and create over 181,000 jobs with one million health tourists visiting Malaysia every year. The healthcare sub-sector is one of the targeted areas for liberalisation under Budget 2012.



“It is thus important that the targets established for services liberalisation initiatives be met. Otherwise, without a conducive environment, services would not be able to attract further FDIs. All these initiatives would need to be reported to the Prime Minister, particularly the implementation issues.”

YB Dato’ Sri Mustapa Mohamed, Minister of International Trade and Industry, at the Malaysia Services Development Council meeting, 19 January 2012

A total of 16 new private healthcare projects were approved in 2011 comprising hospitals, maternity homes, nursing care centres and medical specialist centres. These will involve investments of RM712.5 million, up from RM555.9 million in 2010.

Outlook: Liberalisation to Increase Competitiveness

The services sector (excluding government services) is targeted to contribute 61.0 per cent of the country’s Gross Domestic Product (GDP) by 2015. Most of this growth will stem from the government’s stimulus efforts. After liberalising 27 sub-sectors of the economy in 2009 in an effort to increase investment, the Government will liberalise a further 17 services sub-sectors in 2012 (see Table 2), allowing up to 100 per cent foreign equity participation in selected sub-sectors.

The Malaysia Services Development Council (MSDC) was established to monitor and

ensure the effective implementation of these liberalisation efforts. Chaired by the Minister of International Trade and Industry and consisting of members from other relevant Ministries, PEMUDAH and the private sector, the MSDC will also monitor identified initiatives under the Strategic Reform Initiatives (SRI) for Competition, Standards and Liberalisation (CSL). The MSDC will also review the investment incentives provided by the Malaysian Investment Development Authority (MIDA) in the services sector to ensure they are relevant and to avoid duplication with those offered by other government agencies.

Overall growth in the services sector is expected to slow in 2012 to 5.1 per cent, mainly due to slowing investment activity worldwide. Nonetheless, it is expected to continue to drive economic growth for 2012 and beyond, as Malaysia’s workforce transforms the country into an economy led by services.

Table 2: Liberalisation of 17 services sub-sectors in 2012

Sub-sector	Foreign equity participation (%)
Telecommunications services – Applications service providers (ASPs)	100 January 2012
Telecommunications services – Network facilities providers (NFPs) and network service providers (NSPs)	70 January 2012
Courier services	100 January 2012
Private higher education services with university status	100 Pending amendments to the relevant Acts
International schools	100 March 2012
Technical and vocational secondary education services	100 January 2012
Technical and vocational secondary education services for students with special needs	100 January 2012
Skills training services	100 January 2012
Private hospital services	100 January 2012
Stand-alone specialised medical clinic services	100 Pending amendments to the relevant Acts
Stand-alone specialised dental clinic services	100 Pending amendments to the relevant Acts
Departmental stores and specialty stores	100 January 2012
Incineration services	100 January 2012
Accounting and taxation services	100 January 2012
Architectural services	100 Pending amendments to the relevant Acts
Engineering services	100 Pending amendments to the relevant Acts
Legal services	International establishment of Permitted Practice Areas (PPAs) Pending amendments to the relevant acts.



**DEVELOPING
SMEs AND
BUMIPUTERA
ENTERPRISES**

This biotechnology research facility leverages Malaysia's biodiversity for commercial gain.

SME Corp's programmes help small and medium enterprises, such as this furniture business, to realise their full potential.

Although the public sector and large conglomerates have often taken the spotlight in championing Malaysia's economic development, the real future of the country's growth lies on the shoulders of small and medium enterprises (SMEs) which make up 99.2 per cent of Malaysian companies and contribute 32.0 per cent to the country's GDP.

During 2011, SMEs confronted challenges such as the escalating price of raw materials, rising overhead costs and high initial investment costs. Nevertheless, SMEs benefitted from new business opportunities created in the Entry Point Projects (EPPs) under the Economic Transformation Programme (ETP), particularly in the education, healthcare, retail, agriculture and oil and gas services sub-sectors.



“Malaysian SMEs must strengthen their position in preparation for the liberalisation measures which have brought competition closer to home and irreversibly changed the environment in which they operate. The next few years will therefore be critical in building the capacity and capability of SMEs to not only withstand the ongoing competition but for SMEs to leverage on opportunities arising from the liberalisation measures and the ETP projects to realise growth.”

*YAB Dato' Sri Mohd Najib Tun Abdul Razak, Prime Minister of Malaysia /
Chairman of National SME Development Council, October 2011*

SME Corporation Malaysia (SME Corp) was established in 2009 with the mandate to coordinate and champion the national SME development agenda in Malaysia. In 2011, SME Corp continued to serve as the central coordinating agency for the overall development of SMEs across the country's many economic sectors, overseeing the implementation of 183 programmes with a financial expenditure of RM4.7 billion. Of this figure, RM4.3 billion was allocated for access to financing for SMEs, RM310.8 million was provided to grow SME capacities and capabilities, and RM110.8 million was channeled towards infrastructure for enabling SME development. These programmes and activities involved the concerted efforts of more than 15 Ministries and 60 agencies.

A Broad Strategy for Lifting Up SMEs

Going forward, the Government intends to significantly increase the contribution of SMEs to Malaysia's GDP to reach 41.0 per cent by



Skill upgrading and technical training will enable SMEs to increase their manufacturing capabilities and improve market offerings.



The SME Master Plan increases financing for small and medium enterprises.

2020. This will be achieved through the policy direction of the SME Master Plan (2012-2020), a comprehensive strategy for SME development which was endorsed by the National SME Development Council (NSDC) in November 2011. The Master Plan will focus on creating an ecosystem that is conducive for accelerating the growth of SMEs. The vision is to create globally competitive SMEs that enhance wealth creation and contribute to the social well-being of the nation.

The SME Master Plan consists of four strategic goals: increasing business formation,

intensifying formalisation of SMEs, raising SME productivity and expanding the number of high-growth and innovative firms. In addition, six focus areas have been identified to support these goals, which include promoting greater innovation and technology adoption, increasing access to financing, enabling a more business-friendly regulatory environment and other areas.

Out of 32 key initiatives which were outlined in the SME Master Plan, six High Impact Programmes (HIP) have been designed to achieve these strategic goals.

Traditional wood crafting enterprises turn Malaysian cultural distinctiveness into a selling point.

HIP 1: Integration of registration and licensing of business establishments will integrate all registration and licensing into a one-stop registration point, while HIP2: Technology Commercialisation Platform (TCP) will promote the development of innovative technologies from proof of concept to commercialisation. Meanwhile, HIP 3: SME Investment Programme (SIP) will provide financing support for new SMEs and HIP 4: Going Export (GoEx) Programme will help SMEs to take the next step to bring their products to the global market.

HIP 5: Catalyst Programme targets specific businesses for support in the areas of financing, market access and human capital development. Finally, HIP 6: Inclusive Innovation delivers support for microenterprises, which make up the bottom 40.0 per cent of income groups.



Other Initiatives and Policies for Development

The NSDC also endorsed the SME Integrated Plan of Action 2011 (SMEIPA), which outlines the programmes available for SME development during the year. In addition, SME Corp introduced SMEIPA Online, a system developed to facilitate access to timely information on SME development programmes implemented by various ministries and agencies.



Hand-carved furniture being prepared for delivery to the market.

SMEs that achieve their full potential can become nationally-recognised brands.



Numerous incubation centres, such as those in Technology Park Malaysia (TPM) and SIRIM, continue to provide start-up entrepreneurs with a welcome boost through mentoring, training, networking, technical assistance and access to funding. In order to further improve the effectiveness of existing incubation programmes, the NSDC endorsed the establishment of a National Steering Committee which will monitor and coordinate existing incubation centres.

The NSDC also approved a proposal for SME Week, a nationwide outreach programme to promote SME development initiatives, involving all related ministries and agencies. The SME Week programme is scheduled to begin in June 2012.

In 2011, the Government announced the Green Lane Policy, which provides incentives for innovative SMEs that have received verification from SME Corp, Malaysian Biotechnology



Many of Malaysia's tyre workshops are SMEs.

Corporation (BiotechCorp), Multimedia Development Corporation (MDeC) and Malaysian Technology Development Corporation (MTDC). Incentives given under this policy include financing, a tax incentive and prioritised participation in the Government procurement programme.

MITI's development and support activities for local SMEs are in accordance with the strategies of the Tenth Malaysia Plan (10MP) and the Third Industrial Master Plan (IMP3). In addition, these activities are also aligned with the APEC New Strategy for Structural Reform (ANSSR), which requires APEC nations to implement structural reform targets in 2011, including the promotion of sustained SME development.

Malaysia's food and herbal product industries can increase their export potential with halal certification.

Addressing Market Access Challenges

MITI through SME Corp continued the tradition of holding the SME Innovation Showcase (SMIDEX) in 2011, with the theme of "Pioneering Business Transformation Through Innovation." SMIDEX 2011 successfully recorded potential sales of RM194.7 million from business matching sessions, a 108.6 per cent increase from the previous year. The sessions included business opportunity sessions with two aviation-based multinational corporations, Boeing and BAE Systems. SME Corp also arranged for three Promotion Programmes with AEON (M) Sdn Bhd, MYDIN and Giant Hypermarket in Brunei Darussalam, all with different themes and approaches. In total, 61 SMEs benefitted from these programmes, which generated sales worth RM270,472.



“It is anticipated that through this Programme [SME@University], SMEs will be able to develop insights, especially on creative marketing, innovative business networking as well as what it takes to become world-class CEOs.”

YB Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry, at the Launching Ceremony of the SME@University Programme, 23 June 2011

In line with the Government's vision of moving towards e-commerce and encouraging young entrepreneurship, SME Corp in collaboration with Multimedia Development Corporation (MDeC) and POS Malaysia organised workshops designed to acquaint SMEs with best practices for online business processes. These collaborations target a broad spectrum of SMEs, giving them the opportunity to familiarise themselves in either the Business-to-Business (B2B) or Business-to-Customer (B2C) environments. In total, eight workshops were organised in 2011 with the participation of more than 220 SMEs. The programme has seen a 90.0% enrolment rate of participating SMEs in online marketing, with total sales generated for 2011 valued at RM16.5 million.

The **National Mark of Malaysian Brand**, which was created by SME Corp together with its partner, SIRIM QAS International, is designed to strengthen the brand of SME products and services by depicting their quality, excellence

and distinction. The National Mark of Malaysian Brand was given out to another 18 companies at the Brand Entrepreneurs Conference (BEC) 2011. Overall, a total of 37 companies were certified with the National Mark of Malaysian Brand in 2011. Previous recipients of the Mark have successfully expanded into overseas markets such as the Philippines, Thailand, the People's Republic of China and Middle Eastern countries.

Programmes for Nurturing Entrepreneurship and Innovation

In recognition of the importance of building human capital for SME development, the **SME@University** Programme was launched in 2011, focusing on initiatives to enhance the management skills of CEOs of SMEs. This programme was based on the expertise and best practices from the Tokyo SME University, which is implemented by SME Support Japan.



Turun Padang Visit: Innovation Carnivals

During 2011, YB Dato' Sri Mustapa Mohamed officiated several Innovation Carnivals in Langkawi, Petaling Jaya and Jeli, where MITI through the Malaysia Productivity Corporation (MPC) organised activities to cultivate innovation and creativity among Malaysian entrepreneurs. An innovation culture has been identified as a crucial driver for competitiveness and productivity.

The Government also continued its SME-University Internship Programme, an initiative that was first implemented in 2008. This programme links the industry with academic institutions, providing students with real business experience in today's working environments. Fourteen universities completed the programme this year, involving 326 students and 61 SMEs.

In 2011, Students in Free Enterprise (SIFE), an international non-profit organisation that supports university students in community outreach programmes, held its annual SIFE World Cup in Malaysia. A total of 2,800 students from 37 countries converged in Kuala Lumpur to present and compare best practices in their community outreach programmes, while developing valuable skills in entrepreneurship.

Malaysia held the APEC Young Entrepreneur Summit (APEC YES) in 2011, providing a showcase for the products of local

entrepreneurs as well as a platform for business matching. The Summit was attended by 468 participants, including entrepreneurs, government officials and speakers from 15 APEC economies.

SME Corp also encourages innovative systems in SMEs through the 1-InnoCert programme, which received 320 registrations in 2011. Out of these, 168 companies completed the online self-assessment exercise and 37 companies were successfully certified after on-site auditing by SIRIM Berhad. Certified 1-InnoCert SMEs were also selected for participation in the SME Innovation Award at SMIDEX 2011. The winners of the award were ProEight Offshore Engineering Sdn Bhd, which received the RM1.0 million cash prize, and Biofusion Sdn Bhd, Malaysia Microelectronic Solutions Sdn Bhd, Success Nexus Sdn Bhd and N2N Global Solutions Sdn Bhd, which each received RM200,000 as winners of their respective categories.



The SME Master Plan is inclusive of less-privileged groups, such as rural communities.

Shipyards Sdn Bhd and Tenaga Nasional Berhad (TNB) for 94 vendor companies. A technical seminar on new technologies and materials in furniture manufacturing was also organised in collaboration with the Forest Research Institute of Malaysia (FRIM) and Sarawak Timber Industry Development Corporation (STIDC). The seminar was attended by 136 participants from vendor companies, NGOs, students and government agencies.

MATRADE offers assistance to SMEs for the development of export activities through the Market Development Grant (MDG). Through the MDG, companies can obtain a 50.0% reimbursable matching grant on the approved cost of eligible activities. MATRADE also offers the Brand Promotion Grant (BPG) for the development and promotion of brands in the international market.

In line with the Government's initiatives to develop the country's knowledge workers and create a high-income economy, SME Corp continues to provide facilitation for SMEs to enhance the skills and capabilities of their employees through the Skills Upgrading Programme. The programme, which is currently offered through 38 appointed Skills

Development Centres and Professional Training Providers, was instrumental in successfully training 3,901 employees of SMEs in 2011.

The Vendor Development Programme (VDP) aims to develop Bumiputera SMEs as manufacturers and suppliers of components and services required by government-linked

companies, multinational companies (MNCs) and local large companies. The number of active vendor companies rose to 771 in 2011, up from 680 in 2010, with a total contract value amounting to RM3.6 billion.

In 2011, the VDP organised two technical training programmes with Boustead Naval

Local food and beverage manufacturing can benefit from product and packaging design consulting services.



Providing Infrastructure for SMEs

SME Bank continues to provide the Entrepreneur Premise Scheme, which was established as an integrated approach to support entrepreneurial development through the provision of factory space with preferential rental rates for new start-ups. These premises are available throughout the country, mostly catering to the manufacturing sector. Participants of this scheme are also provided with financing, entrepreneurial training and advisory services.

Enhancing Bumiputera Entrepreneurs

MITI activities for expanding the participation of Bumiputera entrepreneurs in the national economy during 2011 involved 37 programmes supported by the efforts of nine Ministries and 23 agencies. A total of RM693.0 million was allocated for Bumiputera entrepreneurial development.

The **Entrepreneurial Development Division (EDD)** in MITI functions as the focal point for developing policies and programmes for all MITI agencies involved in Bumiputera entrepreneurial development. In 2011, the EDD intensified collaboration with various government agencies to develop Bumiputera entrepreneurs and facilitate their businesses. The EDD continued to implement programmes which were coordinated and adjusted in line with the national agenda and policies. Key programmes for Bumiputera SMEs in 2011 included the Bumiputera Enterprise Enhancement Programme (BEEP), and several funding and financing schemes such as Dana Pinjaman PKS by SME Bank and New Entrepreneur Fund 2 (NEF2) by Bank Negara Malaysia.



Turun Padang Visit: Gerik, Perak

On 25 June 2011, YB Dato' Sri Mustapa Mohamed officiated the Turun Padang event at Gerik, Perak, which featured 99 booths to enable entrepreneurs to market their products to the public. MITI also built greater ties with Bumiputera entrepreneurs to raise awareness of the facilities and initiatives that can assist Bumiputera businesses.



Many successful SMEs started out as family businesses.

Training for Entrepreneurship Development

The **National Entrepreneurial Institute (INSKEN)** continued to provide training to existing and potential entrepreneurs through a wide range of training programmes as well as advisory services. These included acculturation programmes for primary and secondary students, university students and the general public.

INSKEN also carried out “Introduction to Entrepreneurship” programmes in the form of courses, seminars and workshops to introduce entrepreneurship to prospective entrepreneurs.

INSKEN implemented improvement programmes to assist entrepreneurs with the potential to advance to a higher level of business development. These programmes covered topics such as business improvement and strategic management. Networking programmes were also conducted with the cooperation of non-governmental organisations (NGOs) as well as with the involvement of local entrepreneurs and industry experts.



Turun Padang Visit: Entrepreneur Carnival, Jerlun, Kedah

On 22 July 2011, YB Dato' Sri Mustapa Mohamed officiated the Kedah Entrepreneur Carnival in Jerlun, Kedah. The event provided Bumiputera entrepreneurs with a venue for expanding their markets and business connections. In addition, advisory services raised awareness of the financial assistance, training and other programmes that entrepreneurs can benefit from, and an entrepreneurship seminar was also held to help SMEs become more competitive.

“One of the main challenges currently is that Bumiputera businesses are small and sub-scale. The SDSI Showcase is a significant step initiated by MITI to strengthen the participation of Bumiputeras in the Malaysian economy via wealth creation as well as increasing the level of innovation-driven entrepreneurship.”

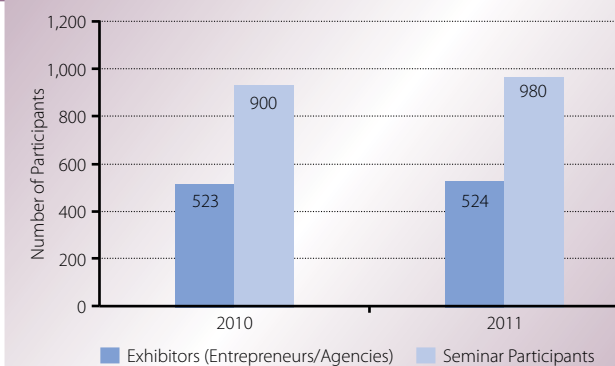
– YB Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry

A total of 30,094 participants benefitted from the training programmes for Bumiputera entrepreneurs in 2011. These training programmes included Go Halal with 11,708 participants, Institut Latihan Kemahiran Swasta Bumiputera (ILKSB) with 3,206 participants and One-Stop Consultation and Advisory Services by the Business Advisory Centre (BAC) with 2,594 participants.

Capturing Markets Through Local Outreach

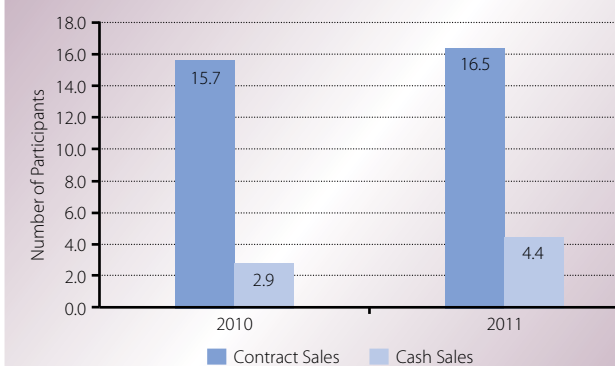
MITI's *Turun Padang* (Outreach) programmes continued in 2011 with seminars and promotional activities in Pekan (Pahang), Besut (Terengganu), Gerik (Perak), Jerlun (Kedah) and Jeli (Kelantan). These outreach events yielded increased business exposure and product sales for a total of 1,027 Bumiputera entrepreneurs, while also promoting awareness of MITI's roles in entrepreneur development to the public.

Chart 1: Participation in SDSI Showcase, 2010-2011



Source: Entrepreneur Development Division

Chart 2: Sales of SDSI Showcase, 2010-2011



Source: Entrepreneur Development Division

Locally crafted furniture is now sought after in showrooms across the world.



Industrial automation can significantly enhance an SME's production capacity.

to provide the largest annual venue for the exhibition and sales of products from five clusters including the food and beverage cluster and the handicrafts cluster. A total of 524 Bumiputera entrepreneurs took part as exhibitors, while 980 seminar participants took advantage of business advisory services at business clinics and business matching sessions for finding buyers for products.

Besides the SDSI Showcase, local entrepreneurs were able to participate in other domestic trade shows with assistance from the Government in the form of funding for booth rentals. A total of 836 exhibitors took part in 19 other domestic fairs in 2011.

The Products and Services Quality Enhancement Programme (Groom Big) supports Bumiputera entrepreneurs seeking to bring their product design, packaging and quality up to the strict standards of both local and export markets. Twelve Workshops on Monitoring and Guidance were conducted at the state level for 428 existing Groom Big participants, while sufficiently advanced participants were able to join one of two advanced modules implemented by MATRADE and MPC in 2011. A total of 16 participating entrepreneurs were involved in the Bumiputera Exporters Development Programme (BEDP), while ten participants joined the Excellence Organisation Promotion Programme (*Program Promosi Kecemerlangan Organisasi*).

The Branding and Packaging Mobile Gallery programme, "Beyond Awareness 2011," provided a holistic approach towards branding for rural entrepreneurs across the country. SME Corp invited relevant agencies such as LUCT, SIRIM, FMM and MyIPO as collaborators and speakers for the Mobile Gallery programme, with the objectives of creating awareness and providing advisory services on branding and packaging. Some of the destinations of the

Mobile Gallery bus included Felda Wilayah Chini, Pahang; Grik, Perak; Muar, Johor; Kepala Batas, Pulau Pinang and Jeli, Kelantan. A total of 15 trips were carried out, benefitting 1,748 participants.

MITI is the head of Promotion, Marketing and Entrepreneurial Development for the national committee on Satu Daerah Satu Industri (SDSI). The SDSI Showcase 2011 event continued



Successful food and beverage franchises provide employment and drive economic growth.

The Groom Big Programme also encompasses furniture development programmes in collaboration with the Malaysian Timber Industry Board (MTIB), including a product development programme and facilitating entrepreneur participation in trade fairs and overseas showcases. Thanks to Groom Big, twelve entrepreneurs participated in the Malaysian International Furniture Fair 2011, achieving sales of RM3.0 million. In addition, MITI helped seven entrepreneurs to showcase their furniture in six showrooms in India, as well as facilitating eight entrepreneurs to participate in the Index Furniture Fair in Mumbai, India, achieving total sales of RM1.5 million.

MITI also brought local Bumiputera entrepreneurs' products to wider markets through the Product Collection and Marketing Centre (4PU) programme in collaboration with Malaysian distributing and marketing companies. Three 4PUs in Malaysia, one 4PU in Viet Nam and one 4PU in Cambodia were able to assist 192 participants in finding new horizons for expansion.

Bumiputera companies are actively engaged in the transport service industry.

Home-grown manufacturers have reached international markets with their latex products.



In addition, strategic partnerships with government-linked companies (GLCs) helped to promote Bumiputera entrepreneurs in locations such as airport terminals.

Bumiputera entrepreneurs have the potential to tap the global halal products market, and MITI through the Halal Industry Development Corporation (HDC) coordinates the development of the halal industry. In 2011, MITI organised the Fifth Meeting of the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) Working Group on Halal Products and Services (WGHAPAS), and also led delegations to the Eighth Meeting of the ASEAN Working Group on Halal Food and the 27th session of the Standing Committee for Economic and Commercial Cooperation of the Organisation of the Islamic Conference (COMCEC). MITI was also active in discussions in the Statute for the Standards and Metrology Institute for Islamic Countries (SMIIC) and took a leading role in halal issues and standards. A

total of 150 companies benefited from Halal Transformation Programmes in 2011.

Encouraging Bumiputera Investment

In 2011, MITI allocated a total of 969.9 million units of special Bumiputera shares offered by 17 companies. These shares were allocated to 14,107 Bumiputera investors with a total

value of RM2.2 billion. Among the large companies and sectors participating in the Main Board of BURSA Malaysia for 2011 were UOA Development Berhad for the construction sector, MSM Malaysia Holdings Berhad for the commodity/sugar sector, Oldtown Berhad for the retail sector and Bumi Armada Berhad for the logistics sector.

Opening Up Access to Financing

In 2011, MITI through Malaysian Industrial Development Finance Berhad (MIDF) approved applications for financing under several schemes to cater to the needs of SMEs. Under the Soft Loan Scheme for Automotive Development, MIDF approved applications totaling RM70.4 million, which went to assisting vendors of automotive components and parts,

including SMEs. In 2011, MIDF also approved 283 applications amounting to RM172.7 million under the Soft Loan Scheme for Small and Medium Enterprises, which provided assistance to start-up companies with access to initial financing and helped established SMEs to expand and improve their businesses.

Thailand was not the only country in the region to suffer economic losses from flooding in 2011. Several Malaysian states were hit by floods in the monsoon season, causing economic damage to local businesses. In 2011, MIDF approved 76 applications under the SME Flood Assistance Scheme, which provides financing for machinery and equipment, stocks in trade and consumables needed for SMEs to recover from such natural disasters.

The national highway infrastructure is a backbone of the Malaysian economy.

Outlook: Supporting the Next Leg of the SME Journey

The year 2012 is expected to see a slowing of Malaysia's GDP growth in line with the global economic slowdown. As a result, the slowdown may affect the growth potential of SMEs. Accordingly, the Government continues to introduce new initiatives as well as strengthen existing programmes to help SMEs to weather the challenging economic environment in 2012.

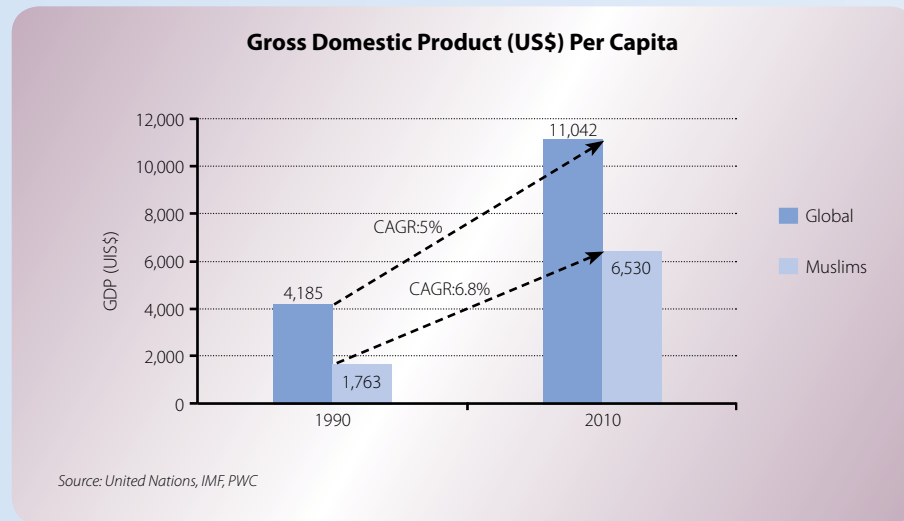
Malaysian entrepreneurs are expected to receive additional support from measures introduced in Malaysia's Budget 2012, including *Unit Peneraju Agenda Bumiputera* (TERAJU), which will guide 1,100 high-performing Bumiputera companies with the potential to achieve listing on Bursa Malaysia. Bumiputera entrepreneurs and contractors

are expected to benefit from an integrated entrepreneur development programme focused on rural areas, through the Ministry of Rural and Regional Development. The TEKUN microfinancing scheme will continue to support microenterprises with an increased allocation of RM300.0 million. At the same time, Amanah Ikhtiar Malaysia (AIM) is expected to provide RM2.1 billion for microfinancing, with particular emphasis on microfinancing for women entrepreneurs as well as allocations for Malaysian Indian and Chinese entrepreneurs.

In 2012, SMEs afflicted by natural disasters will be able to apply for financial assistance under the SME Emergency Fund as announced in Budget 2012. This RM10.0 million fund provides similar assistance to that provided by the SME Flood Assistance Scheme, covering situations such as floods, storms, landslides, beach erosion and drought.

Capitalising on the Global Halal Market

The worldwide Muslim population, estimated at 1.8 billion, represents a significant consumer market that Malaysia's halal entrepreneurs are well-placed to serve in the future. Muslim demographics are expected to climb at twice the rate of the overall world population, and as the developing world catches up with more developed nations, so will the purchasing power of Muslims. The historical trend shows that the purchasing power of Muslim populations in terms of GDP per capita has grown faster annually than its global counterparts for the past two decades.

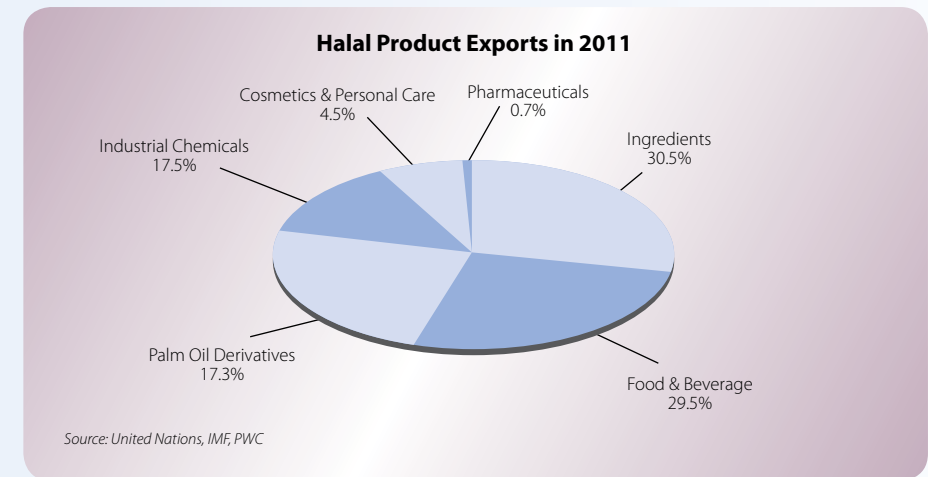


The Halal Industry Master Plan targets four sectors (specially processed food, cosmetics and personal care products, animal husbandry and halal ingredients) for development in order to transform Malaysia into a Global Halal Hub, spurring growth of the halal industry.

In 2011, Malaysia's 700 halal exporters accounted for RM35.4 billion in exports (not including palm oil), roughly 5.1 per cent of total exports for the year. Halal ingredients and food and beverage products made up the two largest shares of halal exports, accounting for RM12.3 billion and RM11.9 billion respectively, followed by palm oil derivatives (RM7.0 billion), industrial chemicals (RM2.1 billion) and cosmetics and personal care products (RM1.8 billion).



Deputy Minister (Trade) YB Dato' Mukhriz Tun Mahathir visits a successful halal enterprise.



Investments in the halal industry have been focused into Halal Parks throughout the country, in which park operators are able to apply for halal incentives. The six "HALMAS" accredited Halal Parks in the country increased total investment to RM5.8 billion in 2011.

The Halal Industry Development Corporation (HDC) had a very active year in 2011, nurturing 97 local companies through Halal Business Transformation. In addition, the HDC trained 12,000 consumers in halal issues, produced 245 Halal Executives and trained 490 Halal Auditors. The HDC also maintains the Halal Knowledge and Industry Portal to increase awareness of halal industry information, and highlighted the Malaysia Halal Brand through media promotions and events.



APPENDICES

Commercial agriculture dominates the landscape in Cameron Highlands.

APPENDIX 1 : ORGANISATIONS AND GROUPINGS - MEMBERSHIP

Organisation/ Grouping	Member Countries/Economies
APEC	Australia, Brunei Darussalam, Canada, Chile, Hong Kong SAR, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, PRC, Peru, Philippines, ROK, Russia, Singapore, Chinese Taipei, Thailand, USA and Viet Nam.
ASEAN	Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.
ASEAN-CER	ASEAN, Australia and New Zealand.
CEFTA	Albania, Bosnia and Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia and United Nations Interim Administration Mission in Kosovo (UNMIK).
COMMONWEALTH	Antigua and Barbuda, Australia, Bahamas, Bangladesh, Barbados, Belize, Botswana, Brunei Darussalam, Cameroon, Canada, Cyprus, Dominica, Fiji, Gambia, Ghana, Grenada, Guyana, India, Jamaica, Kenya, Kiribati, Lesotho, Malawi, Malaysia, Maldives, Malta, Mauritius, Mozambique, Namibia, Nauru, New Zealand, Nigeria, Pakistan, Papua New Guinea, Rwanda, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, Sri Lanka, Swaziland, Tonga, Trinidad and Tobago, Tuvalu, Uganda, UK, United Republic of Tanzania, Vanuatu and Zambia
D-8	Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.
EAEC	ASEAN, Japan, PRC and ROK.
ECO	Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Turkey, Turkmenistan and Uzbekistan.
EU	Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden and United Kingdom.
G-15	Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Iran, Jamaica, Kenya, Malaysia, Mexico, Nigeria, Senegal, Sri Lanka, Venezuela and Zimbabwe.
GCC	Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE.
IOR-ARC	Australia, Bangladesh, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, UAE and Yemen.
MERCOSUR	Argentina, Brazil, Paraguay, Uruguay and Venezuela.
NAFTA	Canada, Mexico and USA.
NAM	Afghanistan, Algeria, Angola, Antigua and Barbuda, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belize, Benin, Bhutan, Bolivia, Botswana, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, Chile, Colombia, Comoros, Congo, Cote d'Ivoire, Cuba, Democratic Republic of Congo, Djibouti, Dominican Republic, Ecuador, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, India, Indonesia, Iran, Iraq, Jamaica, Jordan, Kenya, Kuwait, Lao PDR, Lebanon, Lesotho, Liberia, Libya, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Palestine, Panama, Papua New Guinea, Peru, Philippines, Qatar, ROK, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Somalia, South Africa, Sri Lanka, Sudan, Suriname, Swaziland, Syria, Tanzania, Thailand, Timor Leste, Togo, Trinidad and Tobago, Tunisia, Turkmenistan, Uganda, UAE, Uzbekistan, Vanuatu, Venezuela, Viet Nam, Yemen, Zambia and Zimbabwe.
OECD	Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, ROK, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, UK and USA.
OIC	Afghanistan, Albania, Algeria, Azerbaijan, Bahrain, Bangladesh, Benin, Brunei Darussalam, Burkina Faso, Cameroon, Chad, Comoros, Cote d'Ivoire, Djibouti, Egypt, Gabon, Gambia, Guinea, Guinea-Bissau, Guyana, Indonesia, Iran, Iraq, Jordan, Kazakhstan, Kuwait, Kyrgyz Republic, Lebanon, Libya, Malaysia, Maldives, Mali, Mauritania, Morocco, Mozambique, Niger, Nigeria, Oman, Pakistan, Palestine, Qatar, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Suriname, Syria, Tajikistan, Togo, Tunisia, Turkey, Turkmenistan, Uganda, United Arab Emirates, Uzbekistan and Yemen.
SAARC	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.
SADC	Angola, Botswana, Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.
WTO	Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Bahrain, Bangladesh, Barbados, Belgium, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Chad, Chile, Colombia, Congo, Costa Rica, Cote d'Ivoire, Croatia, Cuba, Cyprus, Czech Republic, Democratic Republic of Congo, Denmark, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, EU, Fiji, Finland, France, Gabon, Gambia, Georgia, Germany, Ghana, Greece, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong SAR, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Kyrgyz Republic, Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Macau, Macedonia, Madagascar, Malawi, Malaysia, Maldives, Mali, Malta, Mauritania, Mauritius, Mexico, Moldova, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, People's Republic Of China, Peru, Philippines, Poland, Portugal, Qatar, Romania, Republic of Korea, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Senegal, Sierra Leone, Singapore, Slovak Republic, Slovenia, Solomon Islands, South Africa, Spain, Sri Lanka, Suriname, Swaziland, Sweden, Switzerland, Chinese Taipei, Tanzania, Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, UAE, United Kingdom, USA, Uruguay, Venezuela, Viet Nam, Zambia and Zimbabwe.

APPENDIX 2 : STATISTICAL TABLES - TRADE

Table 1: Annual Trade, 2000-2011

Period	Total Trade	Exports	Imports	Balance of Trade
	(RM million)			
2000	684,729.2	373,270.3	311,458.9	61,811.4
2001	614,512.9	334,283.8	280,229.1	54,054.7
2002	660,520.5	357,430.0	303,090.5	54,339.6
2003	714,422.2	397,884.4	316,537.9	81,346.5
2004	880,885.2	481,253.0	399,632.2	81,620.8
2005	969,104.5	536,233.7	432,870.8	103,362.9
2006	1,067,388.3	589,240.3	478,147.9	111,092.4
2007	1,106,344.3	604,299.6	502,044.6	102,255.0
2008	1,182,817.8	663,013.5	519,804.3	143,209.2
2009	987,187.9	552,518.1	434,669.8	117,848.3
2010	1,167,650.7	638,822.5	528,828.2	109,994.3
2011 ^p	1,268,780.4	694,548.5	574,232.0	120,316.5

Source: DOSM

Notes: 2010 and before are final data

p - provisional data

Chart 1: Annual Trade, 2000-2011

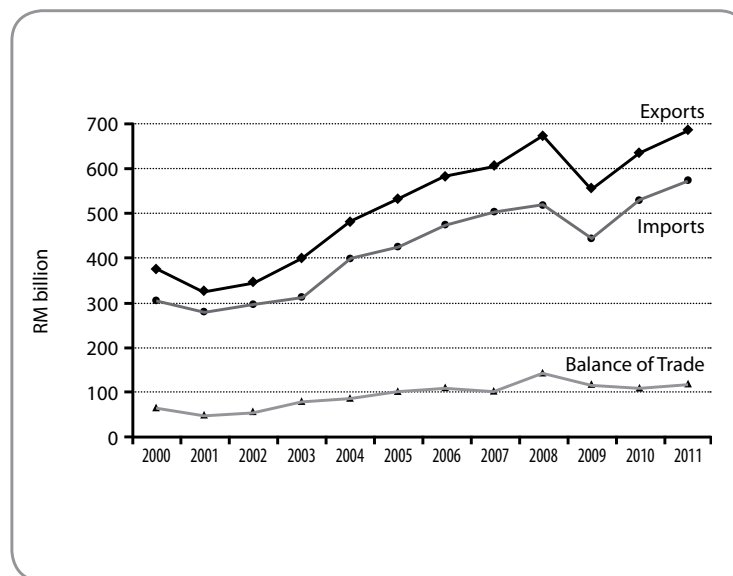


Table 2: Trade with Major Trading Partners, 2010-2011

Country	2011 ^P							2010						
	Total Trade (RM million)	Share (%)	Exports (RM million)	Share (%)	Imports (RM million)	Share (%)	Balance of Trade	Total Trade (RM million)	Share (%)	Exports (RM million)	Share (%)	Imports (RM million)	Share (%)	Balance of Trade
TOTAL	694,548.5	100.0	694,548.5	100.0	574,232.0	100.0	120,316.5	1,167,650.7	100.0	638,822.5	100.0	528,828.2	100.0	109,994.3
People's Rep. of China	91,246.8	12.6	80,595.1	12.6	66,432.9	12.6	14,162.2	128,384.2	13.0	67,358.5	12.2	61,025.7	14.0	6,332.9
Singapore	88,160.7	12.5	85,430.0	13.4	60,443.0	11.4	24,987.0	126,368.2	12.8	77,009.1	13.9	49,359.1	11.4	27,650.0
Japan	79,965.6	11.4	66,294.5	10.4	66,545.6	12.6	-251.1	107,661.8	10.9	53,345.5	9.7	54,316.4	12.5	-970.9
USA	57,577.7	10.0	60,958.4	9.5	56,305.3	10.6	4,653.2	109,644.7	11.1	60,811.2	11.0	48,833.5	11.2	11,977.7
Thailand	35,719.9	5.7	34,188.9	5.3	32,977.6	6.2	1,211.3	56,106.9	5.7	29,808.2	5.4	26,298.7	6.1	3,509.5
Indonesia	20,820.8	4.5	24,196.5	3.8	28,689.5	5.4	-4,493.0	40,449.8	4.1	20,317.6	3.7	20,132.1	4.6	185.5
Chinese Taipei	22,706.5	4.1	18,106.1	2.8	29,397.6	5.6	-11,291.5	40,254.5	4.1	17,235.5	3.1	23,019.1	5.3	-5,783.6
Republic Of Korea	25,819.5	3.9	32,543.5	5.1	12,683.3	2.4	19,860.3	39,924.4	4.0	29,113.1	5.3	10,811.3	2.5	18,301.8
Hong Kong	31,241.9	3.8	20,183.8	3.2	23,831.2	4.5	-3,647.3	32,989.4	3.3	14,519.9	2.6	18,469.4	4.2	-3,949.5
Germany	18,409.0	3.3	17,346.5	2.7	21,342.2	4.0	-3,995.7	33,265.1	3.4	14,853.9	2.7	18,411.2	4.2	-3,557.4
India	28,178.9	2.9	24,017.3	3.8	10,201.0	1.9	13,816.3	29,670.7	3.0	20,190.4	3.7	9,480.3	2.2	10,710.1
Australia	25,109.5	2.5	20,959.2	3.3	7,978.4	1.5	12,980.9	25,178.3	2.6	17,305.9	3.1	7,872.4	1.8	9,433.5
Netherlands	19,298.3	2.0	20,218.5	3.2	3,398.0	0.6	16,820.5	22,046.4	2.2	18,524.7	3.4	3,521.7	0.8	15,002.9
Viet Nam	11,685.4	1.8	10,002.7	1.6	11,309.3	2.1	-1,306.6	10,962.0	1.1	6,955.8	1.3	4,006.2	0.9	2,949.6
United Arab Emirates	12,860.6	1.7	12,196.0	1.9	7,605.9	1.4	4,590.1	16,146.4	1.6	10,033.0	1.8	6,113.4	1.4	3,919.7
France	8,068.1	1.7	11,406.7	1.8	8,348.8	1.6	3,057.9	15,514.6	1.6	8,287.4	1.5	7,227.2	1.7	1,060.3
Philippines	10,940.6	1.1	7,109.4	1.1	6,257.9	1.2	851.5	12,506.4	1.3	5,448.2	1.0	7,058.2	1.6	-1,610.1
United Kingdom	7,154.6	1.1	7,197.9	1.1	5,835.6	1.1	1,362.2	13,079.0	1.3	7,082.3	1.3	5,996.7	1.4	1,085.6
Saudi Arabia	3,965.1	0.8	2,875.2	0.4	6,449.8	1.2	-3,574.6	6,770.5	0.7	2,862.3	0.5	3,908.2	0.9	-1,045.9
Brazil	3,403.7	0.7	3,449.3	0.5	4,547.9	0.9	-1,098.6	7,215.7	0.7	2,821.4	0.5	4,394.3	1.0	-1,572.9
Italy	3,607.8	0.7	7,515.3	1.2	475.9	0.1	7,039.4	6,247.9	0.6	5,722.1	1.0	525.8	0.1	5,196.3
Pakistan	7,819.3	0.6	2,725.6	0.4	3,894.8	0.7	-1,169.2	5,541.6	0.6	2,243.1	0.4	3,298.5	0.8	-1,055.4
South Africa	3,157.8	0.6	5,587.4	0.9	864.5	0.2	4,722.9	5,464.4	0.6	4,303.8	0.8	1,160.6	0.3	3,143.2
Mexico	5,342.0	0.5	3,129.9	0.5	2,864.0	0.5	265.9	5,037.9	0.5	2,763.8	0.5	2,274.1	0.5	489.7
Canada	2,776.7	0.5	2,790.2	0.4	2,570.0	0.5	220.2	3,954.9	0.4	1,983.4	0.4	1,971.6	0.5	11.8
Bangladesh	5,435.6	0.4	2,994.0	0.5	1,969.3	0.4	1,024.7	3,560.7	0.4	1,916.7	0.3	1,644.0	0.4	272.7
Switzerland	993.8	0.4	4,506.1	0.7	372.8	0.1	4,133.3	2,976.4	0.3	2,848.7	0.5	127.7	neg.	2,721.0
New Zealand	3,001.4	0.4	137.2	neg.	4,132.0	0.8	-3,994.8	2,791.3	0.3	124.8	neg.	2,666.4	0.6	-2,541.6
Qatar	559.7	0.4	849.0	0.1	3,355.4	0.6	-2,506.4	4,754.7	0.5	2,043.8	0.4	2,710.9	0.6	-667.0
Belgium	2,978.0	0.4	626.1	0.1	3,533.4	0.7	-2,907.3	4,372.1	0.4	917.1	0.2	3,455.0	0.8	-2,537.8
Iran	3,214.1	0.4	4,050.5	0.6	85.8	neg.	3,964.7	2,903.4	0.3	2,828.0	0.5	75.4	neg.	2,752.6
Egypt	4,196.0	0.3	2,730.5	0.4	1,279.2	0.2	1,451.4	3,538.4	0.4	2,400.8	0.4	1,137.7	0.3	1,263.1
Costa Rica	188.9	0.3	1,904.5	0.3	2,006.1	0.4	-101.5	3,186.6	0.3	1,606.4	0.3	1,580.2	0.4	26.2
Argentina	803.7	0.3	619.3	0.1	3,277.7	0.6	-2,658.4	2,662.0	0.3	457.3	0.1	2,204.7	0.5	-1,747.3
Russia	2,696.1	0.3	2,183.8	0.3	1,317.6	0.2	866.3	2,797.2	0.3	1,875.3	0.3	921.8	0.2	953.5

Note : neg. - negligible

Source : DOSM

Table 3: Major Export Destinations, 2010-2011

Country	Exports				
	2011 ^p			2010	
	RM million	Share (%)	Change (%)	RM million	Share (%)
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0
People's Rep. of China	91,246.8	13.1	1.7	80,104.6	12.5
Singapore	88,160.7	12.7	0.5	85,253.1	13.3
Japan	79,965.6	11.5	2.1	66,763.1	10.5
USA	57,577.7	8.3	-0.5	60,950.9	9.5
Thailand	35,719.9	5.1	0.2	34,136.2	5.3
Hong Kong	31,241.9	4.5	-0.2	32,407.9	5.1
India	28,178.9	4.1	1.1	20,933.5	3.3
Republic Of Korea	25,819.5	3.7	0.2	24,330.5	3.8
Australia	25,109.5	3.6	0.2	24,016.2	3.8
Chinese Taipei	22,706.5	3.3	0.4	20,208.9	3.2
Indonesia	20,820.8	3.0	0.4	18,090.2	2.8
Netherlands	19,298.3	2.8	-0.1	20,216.0	3.2
Germany	18,409.0	2.7	0.2	17,346.4	2.7
United Arab Emirates	12,860.6	1.9	0.1	12,194.1	1.9
Viet Nam	11,685.4	1.7	neg.	11,404.2	1.8
Philippines	10,940.6	1.6	0.2	9,968.4	1.6
France	8,068.1	1.2	0.2	7,108.6	1.1
Pakistan	7,819.3	1.1	0.1	7,322.6	1.1
United Kingdom	7,154.6	1.0	neg.	7,194.6	1.1
Bangladesh	5,435.6	0.8	0.2	4,050.6	0.6
Mexico	5,342.0	0.8	neg.	5,587.4	0.9
Egypt	4,196.0	0.6	neg.	4,506.1	0.7
Saudi Arabia	3,965.1	0.6	0.2	2,875.1	0.5

Source : DOSM

Note : * - not meaningful

: neg. - negligible

Table 4: Major Sources of Imports, 2010-2011

Country	Imports				
	2011 ^p			2010	
	RM million	Share (%)	Change (%)	RM million (%)	Share (%)
TOTAL	574,232.0	100.0	8.6	528,828.2	100.0
People's Rep. of China	75,612.6	13.2	1.7	66,429.8	12.6
Singapore	73,515.1	12.8	2.5	60,277.8	11.4
Japan	65,321.9	11.4	-0.2	66,534.8	12.6
USA	55,404.1	9.6	-0.2	56,258.9	10.6
Indonesia	35,097.7	6.1	1.1	29,390.1	5.6
Thailand	34,506.5	6.0	0.3	32,972.3	6.2
Chinese Taipei	27,069.2	4.7	0.6	23,828.8	4.5
Republic Of Korea	23,175.5	4.0	-1.0	28,686.7	5.4
Germany	21,960.8	3.8	0.1	21,331.8	4.0
Hong Kong	13,588.6	2.4	0.2	12,680.7	2.4
Australia	12,808.7	2.2	0.5	10,187.6	1.9
France	10,631.1	1.9	0.8	6,255.5	1.2
Viet Nam	10,333.0	1.8	0.4	8,343.4	1.6
India	10,183.1	1.8	0.4	7,978.0	1.5
Saudi Arabia	8,466.9	1.5	0.4	6,449.7	1.2
United Arab Emirates	8,204.2	1.4	0.1	7,605.6	1.4
United Kingdom	6,140.0	1.1	0.1	5,825.6	1.1
Brazil	5,425.4	0.9	0.3	3,900.4	0.7
Italy	5,046.2	0.9	0.1	4,545.8	0.9
Philippines	4,779.0	0.8	-1.2	11,308.1	2.1
Qatar	4,628.2	0.8	0.7	764.3	0.1
Switzerland	4,508.1	0.8	0.2	3,346.3	0.6
Costa Rica	4,134.8	0.7	neg.	4,132.0	0.8

Source : DOSM

Note : neg. - negligible

* - not meaningful

Table 5: Trade with ASEAN, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^P			2010		2011 ^P			2010		2011 ^P	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
ASEAN	171,536.0	24.7	5.8	162,159.7	25.4	159,304.6	27.7	11.2	143,288.1	27.1	12,231.4	18,871.6
Singapore	88,160.7	12.7	3.4	85,253.1	13.3	73,515.1	12.8	22.0	60,277.8	11.4	14,645.7	24,975.3
Thailand	35,719.9	5.1	4.6	34,136.2	5.3	34,506.5	6.0	4.7	32,972.3	6.2	1,213.5	1,163.9
Indonesia	20,820.8	3.0	15.1	18,090.2	2.8	35,097.7	6.1	19.4	29,390.1	5.6	-14,276.9	-11,299.8
Viet Nam	11,685.4	1.7	2.5	11,404.2	1.8	10,333.0	1.8	23.8	8,343.4	1.6	1,352.5	3,060.8
Philippines	10,940.6	1.6	9.8	9,968.4	1.6	4,779.0	0.8	-57.7	11,308.1	2.1	6,161.6	-1,339.7
Myanmar	1,710.3	0.2	44.9	1,180.6	0.2	715.3	0.1	-2.3	732.4	0.1	995.1	448.2
Brunei Darussalam	1,666.0	0.2	15.2	1,446.0	0.2	151.9	neg.	-0.4	152.5	neg.	1,514.1	1,293.5
Cambodia	790.2	0.1	24.4	635.1	0.1	203.9	neg.	95.5	104.3	neg.	586.3	530.8
Laos PDR	42.1	neg.	-8.3	45.9	neg.	2.3	neg.	-68.4	7.3	neg.	39.8	38.6

Source: DOSM

Note: neg. - negligible

Table 6: Trade with NAFTA, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^P			2010		2011 ^P			2010		2011 ^P	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
NAFTA	65,696.4	9.5	-5.7	69,667.3	10.9	59,083.9	10.3	-1.5	59,986.9	11.3	6,612.4	9,680.4
USA	57,577.7	8.3	-5.5	60,950.9	9.5	55,404.1	9.6	-1.5	56,258.9	10.6	2,173.6	4,692.0
Mexico	5,342.0	0.8	-4.4	5,587.4	0.9	879.1	0.2	1.7	864.5	0.2	4,462.9	4,722.9
Canada	2,776.7	0.4	-11.3	3,129.0	0.5	2,800.8	0.5	-2.2	2,863.5	0.5	-24.1	265.5

Source: DOSM

Table 7: Trade with EU, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
EU	71,946.8	10.4	4.7	68,688.3	10.8	59,966.7	10.4	10.8	54,122.3	10.2	11,980.1	14,566.0
Netherlands	19,298.3	2.8	-4.5	20,216.0	3.2	3,612.3	0.6	6.4	3,395.8	0.6	15,686.0	16,820.2
Germany	18,409.0	2.7	6.1	17,346.4	2.7	21,960.8	3.8	2.9	21,331.8	4.0	-3,551.8	-3,985.3
France	8,068.1	1.2	13.5	7,108.6	1.1	10,631.1	1.9	69.9	6,255.5	1.2	-2,563.0	853.1
UK	7,154.6	1.0	-0.6	7,194.6	1.1	6,140.0	1.1	5.4	5,825.6	1.1	1,014.6	1,369.0
Italy	3,607.8	0.5	4.6	3,447.6	0.5	5,046.2	0.9	11.0	4,545.8	0.9	-1,438.4	-1,098.2
Belgium	2,978.0	0.4	56.4	1,903.6	0.3	2,134.0	0.4	6.5	2,004.7	0.4	844.0	-101.1
Spain	1,935.9	0.3	0.7	1,923.2	0.3	1,210.9	0.2	17.2	1,033.5	0.2	725.0	889.7
Sweden	1,526.4	0.2	24.0	1,230.6	0.2	1,974.8	0.3	-3.4	2,045.1	0.4	-448.4	-814.6
Czech Republic	1,412.8	0.2	69.4	833.9	0.1	340.8	0.1	28.8	264.7	0.1	1,072.1	569.2
Hungary	1,247.7	0.2	95.6	638.0	0.1	526.8	0.1	40.5	375.1	0.1	720.9	262.9
Finland	1,009.1	0.1	-45.1	1,839.7	0.3	939.3	0.2	31.5	714.3	0.1	69.8	1,125.4
Poland	880.1	0.1	-14.2	1,026.3	0.2	420.0	0.1	41.6	296.7	0.1	460.1	729.6
Denmark	759.4	0.1	2.4	741.8	0.1	613.8	0.1	16.9	525.3	0.1	145.5	216.5
Ireland	581.0	0.1	-7.2	626.1	0.1	1,689.4	0.3	-52.2	3,533.3	0.7	-1,108.4	-2,907.1
Portugal	508.9	0.1	-2.5	522.0	0.1	58.2	neg.	22.1	47.7	neg.	450.7	474.4
Austria	391.1	0.1	46.3	267.3	neg.	2,050.9	0.4	38.8	1,477.4	0.3	-1,659.8	-1,210.0
Romania	351.7	0.1	42.9	246.1	neg.	88.2	neg.	16.2	76.0	neg.	263.4	170.1
Slovak Republic	325.0	neg.	11.9	290.4	neg.	98.0	neg.	75.4	55.9	neg.	227.0	234.5
Greece	264.4	neg.	-22.8	342.5	0.1	44.1	neg.	-20.3	55.3	neg.	220.3	287.2
Luxembourg	258.9	neg.	39.1	186.1	neg.	82.8	neg.	101.9	41.0	neg.	176.2	145.1
Bulgaria	200.4	neg.	22.7	163.4	neg.	79.0	neg.	112.6	37.2	neg.	121.4	126.2
Lithuania	189.9	neg.	229.2	57.7	neg.	68.9	neg.	32.5	52.0	neg.	121.0	5.7
Estonia	186.5	neg.	109.3	89.1	neg.	9.2	neg.	1.8	9.0	neg.	177.3	80.1
Latvia	118.0	neg.	8.3	109.0	neg.	33.1	neg.	90.4	17.4	neg.	84.8	91.6
Slovenia	101.1	neg.	-7.3	109.0	neg.	46.8	neg.	0.6	46.6	neg.	54.2	62.4
Cyprus	96.6	neg.	-29.0	136.1	neg.	32.2	neg.	63.6	19.7	neg.	64.4	116.5
Malta	86.0	neg.	-7.9	93.3	neg.	35.1	neg.	-13.0	40.4	neg.	50.9	53.0

Source : DOSM

Note: neg. - negligible

* - not meaningful

Table 8: Trade with APEC, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
APEC	519,025.3	74.7	7.2	484,218.2	75.8	439,990.6	76.6	6.0	415,261.1	78.5	79,034.6	68,957.1
PRC	91,246.8	13.1	13.9	80,104.6	12.5	75,612.6	13.2	13.8	66,429.8	12.6	15,634.1	13,674.8
Singapore	88,160.7	12.7	3.4	85,253.1	13.3	73,515.1	12.8	22.0	60,277.8	11.4	14,645.7	24,975.3
Japan	79,965.6	11.5	19.8	66,763.1	10.5	65,321.9	11.4	-1.8	66,534.8	12.6	14,643.8	228.3
USA	57,577.7	8.3	-5.5	60,950.9	9.5	55,404.1	9.6	-1.5	56,258.9	10.6	2,173.6	4,692.0
Thailand	35,719.9	5.1	4.6	34,136.2	5.3	34,506.5	6.0	4.7	32,972.3	6.2	1,213.5	1,163.9
Hong Kong	31,241.9	4.5	-3.6	32,407.9	5.1	13,588.6	2.4	7.2	12,680.7	2.4	17,653.3	19,727.2
ROK	25,819.5	3.7	6.1	24,330.5	3.8	23,175.5	4.0	-19.2	28,686.7	5.4	2,644.0	-4,356.2
Australia	25,109.5	3.6	4.6	24,016.2	3.8	12,808.7	2.2	25.7	10,187.6	1.9	12,300.8	13,828.6
Chinese Taipei	22,706.5	3.3	12.4	20,208.9	3.2	27,069.2	4.7	13.6	23,828.8	4.5	-4,362.8	-3,619.9
Indonesia	20,820.8	3.0	15.1	18,090.2	2.8	35,097.7	6.1	19.4	29,390.1	5.6	-14,276.9	-11,299.8
Viet Nam	11,685.4	1.7	2.5	11,404.2	1.8	10,333.0	1.8	23.8	8,343.4	1.6	1,352.5	3,060.8
Philippines	10,940.6	1.6	9.8	9,968.4	1.6	4,779.0	0.8	-57.7	11,308.1	2.1	6,161.6	-1,339.7
Mexico	5,342.0	0.8	-4.4	5,587.4	0.9	879.1	0.2	1.7	864.5	0.2	4,462.9	4,722.9
New Zealand	3,001.4	0.4	0.3	2,991.2	0.5	2,410.3	0.4	22.4	1,968.5	0.4	591.1	1,022.7
Canada	2,776.7	0.4	-11.3	3,129.0	0.5	2,800.8	0.5	-2.2	2,863.5	0.5	-24.1	265.5
Russia	2,696.1	0.4	23.6	2,181.1	0.3	1,113.7	0.2	-15.5	1,317.5	0.2	1,582.4	863.6
Papua New Guinea	1,817.4	0.3	157.9	704.8	0.1	598.8	0.1	43.2	418.2	0.1	1,218.6	286.6
Brunei Darussalam	1,666.0	0.2	15.2	1,446.0	0.2	151.9	neg.	-0.4	152.5	neg.	1,514.1	1,293.5
Chile	377.5	0.1	40.8	268.1	neg.	800.3	0.1	8.1	740.0	0.1	-422.9	-471.9
Peru	353.2	0.1	27.8	276.4	neg.	23.9	neg.	-36.2	37.5	neg.	329.3	238.9

Source: DOSM

Note: neg. - negligible

Table 9: Trade with Major Countries in the OIC, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
OIC	76,067.2	11.0	14.0	66,724.4	10.4	69,596.6	12.1	27.0	54,787.4	10.4	6,470.6	11,937.0
D8	46,501.9	6.7	18.4	39,291.6	6.2	38,987.9	6.8	20.4	32,382.8	6.1	7,514.0	6,908.8
Indonesia ¹	20,820.8	3.0	15.1	18,090.2	2.8	35,097.7	6.1	19.4	29,390.1	5.6	-14,276.9	-11,299.8
UAE	12,860.6	1.9	5.5	12,194.1	1.9	8,204.2	1.4	7.9	7,605.6	1.4	4,656.4	4,588.6
Pakistan ¹	7,819.3	1.1	6.8	7,322.6	1.1	775.0	0.1	63.1	475.2	0.1	7,044.2	6,847.4
Bangladesh ¹	5,435.6	0.8	34.2	4,050.6	0.6	121.9	neg.	42.9	85.3	neg.	5,313.7	3,965.3
Egypt ¹	4,196.0	0.6	-6.9	4,506.1	0.7	409.2	0.1	9.8	372.8	0.1	3,786.9	4,133.2
Saudi Arabia	3,965.1	0.6	37.9	2,875.1	0.5	8,466.9	1.5	31.3	6,449.7	1.2	-4,501.7	-3,574.6
Iran ¹	3,214.1	0.5	17.7	2,730.5	0.4	1,768.4	0.3	38.2	1,279.1	0.2	1,445.7	1,451.4
Turkey ¹	3,091.2	0.4	46.3	2,112.8	0.3	542.1	0.1	22.0	444.2	0.1	2,549.1	1,668.6
Nigeria ¹	1,924.9	0.3	302.0	478.9	0.1	273.6	neg.	-18.6	336.1	0.1	1,651.3	142.8
Brunei Darussalam	1,666.0	0.2	15.2	1,446.0	0.2	151.9	neg.	-0.4	152.5	neg.	1,514.1	1,293.5
Benin	1,098.0	0.2	-28.5	1,535.8	0.2	20.9	neg.	9.5	19.0	neg.	1,077.2	1,516.7
Kuwait	1,062.0	0.2	84.2	576.5	0.1	1,745.9	0.3	18.5	1,473.9	0.3	-683.9	-897.3
Togo	760.8	0.1	-11.8	862.9	0.1	146.4	neg.	249.7	41.9	neg.	614.4	821.1
Oman	728.5	0.1	25.6	580.1	0.1	1,537.5	0.3	460.2	274.5	0.1	-809.0	305.7
Jordan	679.9	0.1	-18.7	836.2	0.1	405.8	0.1	47.4	275.3	0.1	274.1	560.9
Syria	583.0	0.1	2.6	568.4	0.1	7.1	neg.	87.5	3.8	neg.	575.9	564.6
Algeria	564.2	0.1	11.6	505.6	0.1	0.5	neg.	-85.4	3.8	neg.	563.6	501.9
Qatar	559.7	0.1	4.7	534.7	0.1	4,628.2	0.8	505.6	764.3	0.1	-4,068.5	-229.6
Yemen	539.7	0.1	0.1	539.1	0.1	17.0	neg.	-94.2	294.3	0.1	522.7	244.8
Djibouti	492.6	0.1	-15.1	579.9	0.1	0.4	neg.	485.0	0.1	neg.	492.2	579.9
Mauritania	388.1	0.1	54.4	251.3	neg.	0.0	neg.	-98.2	2.6	neg.	388.0	248.7
Lebanon	319.0	neg.	-11.7	361.3	0.1	43.7	neg.	173.6	16.0	neg.	275.3	345.3
Maldives	287.4	neg.	15.9	247.9	neg.	5.2	neg.	-56.9	12.1	neg.	282.2	235.8

Source : DOSM

Note: ¹ - Member of D-8

neg. - negligible

* - not meaningful

Table 10: Trade with OECD, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
OECD	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
Japan	79,965.6	11.5	19.8	66,763.1	10.5	65,321.9	11.4	-1.8	66,534.8	12.6	14,643.8	228.3
USA	57,577.7	8.3	-5.5	60,950.9	9.5	55,404.1	9.6	-1.5	56,258.9	10.6	2,173.6	4,692.0
ROK	25,819.5	3.7	6.1	24,330.5	3.8	23,175.5	4.0	-19.2	28,686.7	5.4	2,644.0	-4,356.2
Australia	25,109.5	3.6	4.6	24,016.2	3.8	12,808.7	2.2	25.7	10,187.6	1.9	12,300.8	13,828.6
Netherlands	19,298.3	2.8	-4.5	20,216.0	3.2	3,612.3	0.6	6.4	3,395.8	0.6	15,686.0	16,820.2
Germany	18,409.0	2.7	6.1	17,346.4	2.7	21,960.8	3.8	2.9	21,331.8	4.0	-3,551.8	-3,985.3
France	8,068.1	1.2	13.5	7,108.6	1.1	10,631.1	1.9	69.9	6,255.5	1.2	-2,563.0	853.1
UK	7,154.6	1.0	-0.6	7,194.6	1.1	6,140.0	1.1	5.4	5,825.6	1.1	1,014.6	1,369.0
Mexico	5,342.0	0.8	-4.4	5,587.4	0.9	879.1	0.2	1.7	864.5	0.2	4,462.9	4,722.9
Italy	3,607.8	0.5	4.6	3,447.6	0.5	5,046.2	0.9	11.0	4,545.8	0.9	-1,438.4	-1,098.2
Turkey	3,091.2	0.4	46.3	2,112.8	0.3	542.1	0.1	22.0	444.2	0.1	2,549.1	1,668.6
New Zealand	3,001.4	0.4	0.3	2,991.2	0.5	2,410.3	0.4	22.4	1,968.5	0.4	591.1	1,022.7
Belgium	2,978.0	0.4	56.4	1,903.6	0.3	2,134.0	0.4	6.5	2,004.7	0.4	844.0	-101.1
Canada	2,776.7	0.4	-11.3	3,129.0	0.5	2,800.8	0.5	-2.2	2,863.5	0.5	-24.1	265.5
Spain	1,935.9	0.3	0.7	1,923.2	0.3	1,210.9	0.2	17.2	1,033.5	0.2	725.0	889.7
Sweden	1,526.4	0.2	24.0	1,230.6	0.2	1,974.8	0.3	-3.4	2,045.1	0.4	-448.4	-814.6
Czech Republic	1,412.8	0.2	69.4	833.9	0.1	340.8	0.1	28.8	264.7	0.1	1,072.1	569.2
Hungary	1,247.7	0.2	95.6	638.0	0.1	526.8	0.1	40.5	375.1	0.1	720.9	262.9
Finland	1,009.1	0.1	-45.1	1,839.7	0.3	939.3	0.2	31.5	714.3	0.1	69.8	1,125.4
Switzerland	993.8	0.1	17.8	843.7	0.1	4,508.1	0.8	34.7	3,346.3	0.6	-3,514.3	-2,502.6
Poland	880.1	0.1	-14.2	1,026.3	0.2	420.0	0.1	41.6	296.7	0.1	460.1	729.6
Denmark	759.4	0.1	2.4	741.8	0.1	613.8	0.1	16.9	525.3	0.1	145.5	216.5
Ireland	581.0	0.1	-7.2	626.1	0.1	1,689.4	0.3	-52.2	3,533.3	0.7	-1,108.4	-2,907.1
Portugal	508.9	0.1	-2.5	522.0	0.1	58.2	neg.	22.1	47.7	neg.	450.7	474.4
Austria	391.1	0.1	46.3	267.3	neg.	2,050.9	0.4	38.8	1,477.4	0.3	-1,659.8	-1,210.0
Slovak Republic	325.0	neg.	11.9	290.4	neg.	98.0	neg.	75.4	55.9	neg.	227.0	234.5
Norway	292.7	neg.	-9.3	322.7	0.1	542.9	0.1	-15.0	639.0	0.1	-250.3	-316.2
Greece	264.4	neg.	-22.8	342.5	0.1	44.1	neg.	-20.3	55.3	neg.	220.3	287.2
Luxembourg	258.9	neg.	39.1	186.1	neg.	82.8	neg.	101.9	41.0	neg.	176.2	145.1
Iceland	2.8	neg.	-54.3	6.0	neg.	26.7	neg.	64.7	16.2	neg.	-23.9	-10.2

Source: DOSM

Note: neg. - negligible

* - not meaningful

Table 11: Trade with Major Asian Countries, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^P			2010		2011 ^P			2010		2011 ^P	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
Asia	492,177.4	70.9	11.0	443,359.6	69.4	403,152.1	70.2	9.2	369,256.0	69.8	89,025.2	74,103.6
North East Asia	251,162.2	36.2	12.2	223,935.8	35.1	204,815.9	35.7	3.3	198,195.7	37.5	46,346.4	25,740.1
PRC	91,246.8	13.1	13.9	80,104.6	12.5	75,612.6	13.2	13.8	66,429.8	12.6	15,634.1	13,674.8
Japan	79,965.6	11.5	19.8	66,763.1	10.5	65,321.9	11.4	-1.8	66,534.8	12.6	14,643.8	228.3
Hong Kong	31,241.9	4.5	-3.6	32,407.9	5.1	13,588.6	2.4	7.2	12,680.7	2.4	17,653.3	19,727.2
ROK	25,819.5	3.7	6.1	24,330.5	3.8	23,175.5	4.0	-19.2	28,686.7	5.4	2,644.0	-4,356.2
Chinese Taipei	22,706.5	3.3	12.4	20,208.9	3.2	27,069.2	4.7	13.6	23,828.8	4.5	-4,362.8	-3,619.9
ASEAN	171,536.0	24.7	5.8	162,159.7	25.4	159,304.6	27.7	11.2	143,288.1	27.1	12,231.4	18,871.6
South Asia	43,934.3	6.3	28.3	34,237.7	5.4	11,631.9	2.0	32.2	8,799.5	1.7	32,302.4	25,438.2
India	28,178.9	4.1	34.6	20,933.5	3.3	10,183.1	1.8	27.6	7,978.0	1.5	17,995.8	12,955.6
Pakistan	7,819.3	1.1	6.8	7,322.6	1.1	775.0	0.1	63.1	475.2	0.1	7,044.2	6,847.4
Bangladesh	5,435.6	0.8	34.2	4,050.6	0.6	121.9	neg.	42.9	85.3	neg.	5,313.7	3,965.3
Sri Lanka	2,050.2	0.3	37.8	1,487.3	0.2	540.5	0.1	119.4	246.3	neg.	1,509.6	1,241.0
West Asia	25,069.0	3.6	11.8	22,415.6	3.5	27,368.6	4.8	44.7	18,908.3	3.6	-2,299.7	3,507.3
UAE	12,860.6	1.9	5.5	12,194.1	1.9	8,204.2	1.4	7.9	7,605.6	1.4	4,656.4	4,588.6
Saudi Arabia	3,965.1	0.6	37.9	2,875.1	0.5	8,466.9	1.5	31.3	6,449.7	1.2	-4,501.7	-3,574.6
Iran	3,214.1	0.5	17.7	2,730.5	0.4	1,768.4	0.3	38.2	1,279.1	0.2	1,445.7	1,451.4
Kuwait	1,062.0	0.2	84.2	576.5	0.1	1,745.9	0.3	18.5	1,473.9	0.3	-683.9	-897.3
Oman	728.5	0.1	25.6	580.1	0.1	1,537.5	0.3	460.2	274.5	0.1	-809.0	305.7
Jordan	679.9	0.1	-18.7	836.2	0.1	405.8	0.1	47.4	275.3	0.1	274.1	560.9
Central Asia	475.9	0.1	-22.1	610.8	0.1	31.2	neg.	-51.6	64.4	neg.	444.7	546.4
Uzbekistan	201.6	neg.	25.5	160.7	neg.	27.8	neg.	-44.4	50.1	neg.	173.8	110.6
Kazakhstan	183.8	neg.	-46.4	343.0	0.1	3.0	neg.	22.3	2.4	neg.	180.8	340.5

Source : DOSM

Note: neg. - negligible

* - not meaningful

Table 12: Trade with Major Countries in the Americas, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^a			2010		2011 ^a			2010		2011 ^a	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
Americas	73,156.7	10.5	-3.6	75,910.9	11.9	74,489.9	13.0	0.8	73,891.3	14.0	-1,333.2	2,019.5
North America	60,354.4	8.7	-5.8	64,079.9	10.0	58,204.9	10.1	-1.6	59,122.4	11.2	2,149.5	4,957.5
USA	57,577.7	8.3	-5.5	60,950.9	9.5	55,404.1	9.6	-1.5	56,258.9	10.6	2,173.6	4,692.0
Canada	2,776.7	0.4	-11.3	3,129.0	0.5	2,800.8	0.5	-2.2	2,863.5	0.5	-24.1	265.5
Central America	6,234.7	0.9	-1.8	6,349.2	1.0	5,208.5	0.9	-0.6	5,238.9	1.0	1,026.3	1,110.3
Mexico	5,342.0	0.8	-4.4	5,587.4	0.9	879.1	0.2	1.7	864.5	0.2	4,462.9	4,722.9
Panama	488.0	0.1	15.8	421.2	0.1	126.9	neg.	32.0	96.1	neg.	361.1	325.1
Costa Rica	188.9	neg.	37.6	137.2	neg.	4,134.8	0.7	0.1	4,132.0	0.8	-3,946.0	-3,994.8
Guatemala	91.9	neg.	16.2	79.1	neg.	64.1	neg.	248.3	18.4	neg.	27.8	60.7
Honduras	53.6	neg.	8.7	49.3	neg.	0.4	neg.	3.7	0.4	neg.	53.2	48.9
El Salvador	44.2	neg.	-3.7	45.9	neg.	2.1	neg.	-95.8	50.2	neg.	42.1	-4.3
South America	5,776.3	0.8	22.6	4,712.0	0.7	10,895.3	1.9	15.4	9,440.9	1.8	-5,119.0	-4,728.9
Brazil	3,403.7	0.5	24.9	2,725.5	0.4	5,425.4	0.9	39.1	3,900.4	0.7	-2,021.7	-1,174.9
Argentina	803.7	0.1	29.8	619.3	0.1	3,424.1	0.6	4.7	3,270.6	0.6	-2,620.4	-2,651.3
Chile	377.5	0.1	40.8	268.1	neg.	800.3	0.1	8.1	740.0	0.1	-422.9	-471.9
Colombia	356.3	0.1	2.8	346.6	0.1	344.7	0.1	96.1	175.8	neg.	11.5	170.8
Peru	353.2	0.1	27.8	276.4	neg.	23.9	neg.	-36.2	37.5	neg.	329.3	238.9
Venezuela	176.5	neg.	39.0	127.0	neg.	493.2	0.1	-17.0	593.9	0.1	-316.7	-466.9
Uruguay	142.0	neg.	0.2	141.7	neg.	26.1	neg.	-68.8	83.7	neg.	115.9	58.0
Ecuador	75.6	neg.	-45.4	138.5	neg.	206.3	neg.	-66.4	613.9	0.1	-130.8	-475.3
Caribbean	791.3	0.1	2.8	769.8	0.1	181.2	neg.	103.4	89.1	neg.	610.0	680.6

Source: DOSM

Note: neg. - negligible

* - not meaningful

Table 13: Trade with Major European Countries, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
EUROPE	77,269.8	11.1	5.2	73,420.1	11.5	67,342.6	11.7	11.3	60,513.1	11.4	9,927.1	12,907.0
EU	71,946.8	10.4	4.7	68,688.3	10.8	59,966.7	10.4	10.8	54,122.3	10.2	11,980.1	14,566.0
Other Europe	5,323.0	0.8	12.5	4,731.8	0.7	7,375.9	1.3	15.4	6,390.8	1.2	-2,052.9	-1,659.0
Russia	2,696.1	0.4	23.6	2,181.1	0.3	1,113.7	0.2	-15.5	1,317.5	0.2	1,582.4	863.6
Ukraine	1,082.2	0.2	-9.1	1,190.3	0.2	763.1	0.1	13.8	670.4	0.1	319.1	519.9
Switzerland	993.8	0.1	17.8	843.7	0.1	4,508.1	0.8	34.7	3,346.3	0.6	-3,514.3	-2,502.6
Norway	292.7	neg.	-9.3	322.7	0.1	542.9	0.1	-15.0	639.0	0.1	-250.3	-316.2
Croatia	71.5	neg.	23.5	57.9	neg.	12.7	neg.	138.5	5.3	neg.	58.9	52.6
Georgia	50.5	neg.	13.2	44.6	neg.	52.5	neg.	-28.6	73.4	neg.	-2.0	-28.8
Belarus	39.5	neg.	85.5	21.3	neg.	171.1	neg.	20.7	141.7	neg.	-131.6	-120.4
Azerbaijan	28.0	neg.	55.0	18.1	neg.	170.4	neg.	7.7	158.2	neg.	-142.4	-140.1
Montenegro	26.6	neg.	45.0	18.3	neg.	0.1	neg.	163.9	neg.	neg.	26.4	18.3
Liechtenstein	14.5	neg.	70.4	8.5	neg.	8.5	neg.	-27.9	11.8	neg.	6.0	-3.3
Albania	10.3	neg.	47.3	7.0	neg.	1.0	neg.	-20.0	1.3	neg.	9.2	5.7
Bosnia - Herze- govina	5.3	neg.	-5.6	5.6	neg.	2.2	neg.	1.0	2.2	neg.	3.1	3.5
Armenia	5.3	neg.	82.0	2.9	neg.	0.1	neg.	-84.5	0.4	neg.	5.2	2.5
Iceland	2.8	neg.	-54.3	6.0	neg.	26.7	neg.	64.7	16.2	neg.	-23.9	-10.2
Moldova, Republic Of	2.7	neg.	358.9	0.6	neg.	neg.	neg.	-77.9	neg.	neg.	2.7	0.6
Faeroe Islands	0.3	neg.	640.5	neg.	neg.	neg.	neg.	neg.	neg.	neg.	0.3	0.0
Andorra	0.2	neg.	-26.2	0.3	neg.	0.7	neg.	-76.9	2.9	neg.	-0.4	-2.6
Gibraltar	0.2	neg.	0.1	0.2	neg.	0.1	neg.	neg.	neg.	neg.	0.1	0.2
Macedonia	0.2	neg.	-86.7	1.5	neg.	0.7	neg.	5,860.2	neg.	neg.	-0.5	1.5
Monaco	0.2	neg.	-84.3	1.0	neg.	0.4	neg.	-90.1	3.8	neg.	-0.2	-2.8
San Marino	neg.	neg.	neg.	neg.	neg.	neg.	neg.	-100.0	neg.	neg.	neg.	neg.

Source : DOSM

Note: neg. - negligible

* - not meaningful

Table 14: Trade with Major African Countries, 2010-2011

Country	Exports					Imports					Balance of Trade	
	2011 ^p			2010		2011 ^p			2010		2011 ^p	2010
	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	Share (%)	Change (%)	RM million	Share (%)	RM million	RM million
TOTAL	694,548.5	100.0	8.7	638,822.5	100.0	574,232.0	100.0	8.6	528,828.2	100.0	120,316.5	109,994.3
Africa	18,182.9	2.6	15.2	15,784.8	2.5	10,565.0	1.8	14.7	9,211.8	1.7	7,617.9	6,573.0
Egypt	4,196.0	0.6	-6.9	4,506.1	0.7	409.2	0.1	9.8	372.8	0.1	3,786.9	4,133.2
South Africa	3,157.8	0.5	13.2	2,790.2	0.4	3,340.7	0.6	30.0	2,569.9	0.5	-182.9	220.3
Nigeria	1,924.9	0.3	302.0	478.9	0.1	273.6	neg.	-18.6	336.1	0.1	1,651.3	142.8
Benin	1,098.0	0.2	-28.5	1,535.8	0.2	20.9	neg.	9.5	19.0	neg.	1,077.2	1,516.7
Angola	864.7	0.1	186.3	302.0	neg.	7.4	neg.	-53.3	15.8	neg.	857.4	286.2
Togo	760.8	0.1	-11.8	862.9	0.1	146.4	neg.	249.7	41.9	neg.	614.4	821.1
Ghana	624.1	0.1	28.8	484.6	0.1	643.4	0.1	41.5	454.8	0.1	-19.2	29.8
Algeria	564.2	0.1	11.6	505.6	0.1	0.5	neg.	-85.4	3.8	neg.	563.6	501.9
Djibouti	492.6	0.1	-15.1	579.9	0.1	0.4	neg.	485.0	0.1	neg.	492.2	579.9
Mauritania	388.1	0.1	54.4	251.3	neg.	0.0	neg.	-98.2	2.6	neg.	388.0	248.7
Congo	340.4	neg.	182.0	120.7	neg.	540.9	0.1	-9.8	599.8	0.1	-200.6	-479.1
Tanzania	327.4	neg.	-8.3	356.9	0.1	53.3	neg.	110.3	25.3	neg.	274.1	331.6
Mauritius	309.5	neg.	-17.1	373.2	0.1	14.9	neg.	-83.9	92.5	neg.	294.6	280.7
Kenya	294.1	neg.	15.8	253.9	neg.	18.7	neg.	-1.1	18.9	neg.	275.4	235.0
Sudan	287.4	neg.	160.7	110.2	neg.	1.5	neg.	-99.1	162.5	neg.	285.9	-52.3
Ethiopia	258.2	neg.	221.0	80.4	neg.	2.0	neg.	-51.4	4.0	neg.	256.2	76.4
Morocco	254.6	neg.	33.8	190.2	neg.	49.8	neg.	0.7	49.5	neg.	204.8	140.8
Guinea	230.9	neg.	209.1	74.7	neg.	9.5	neg.	-43.6	16.8	neg.	221.4	57.9
Sierra Leone	184.6	neg.	2.7	179.7	neg.	2.5	neg.	-68.0	7.8	neg.	182.1	171.9
Madagascar	181.6	neg.	24.8	145.5	neg.	3.1	neg.	-70.2	10.5	neg.	178.5	135.0
Cameroon	176.5	neg.	30.4	135.3	neg.	210.1	neg.	23.0	170.8	neg.	-33.5	-35.5
Tunisia	172.2	neg.	-7.3	185.6	neg.	39.4	neg.	-20.8	49.7	neg.	132.8	135.9
Liberia	142.6	neg.	43.0	99.8	neg.	82.8	neg.	112.1	39.0	neg.	59.8	60.7
Mozambique	111.1	neg.	-44.2	198.9	neg.	41.8	neg.	429.9	7.9	neg.	69.3	191.0
Gambia	104.7	neg.	74.4	60.0	neg.	0.5	neg.	-86.4	3.4	neg.	104.2	56.7
Gabon	84.3	neg.	73.8	48.5	neg.	2,906.6	0.5	17.4	2,475.9	0.5	-2,822.3	-2,427.4
Cote D'Ivoire	83.8	neg.	-45.1	152.5	neg.	998.0	0.2	110.5	474.1	0.1	-914.2	-321.6
Senegal	77.8	neg.	114.5	36.3	neg.	14.0	neg.	-16.8	16.9	neg.	63.8	19.4
Reunion Islands	64.8	neg.	25.4	51.7	neg.	2.0	neg.	-25.8	2.7	neg.	62.8	49.0
Uganda	51.6	neg.	37.0	37.7	neg.	22.6	neg.	424.5	4.3	neg.	29.0	33.4

Source : DOSM

Note: neg. - negligible

* - not meaningful

Table 15: Major Exports of Manufactured Goods to Top Five Destinations, 2010-2011

Products	2011 ^P			2010	
	Country	RM million	Share (%)	RM million	Share (%)
Total		694,548.5	100.0	638,822.5	100.0
Manufactured Goods		470,299.0	67.7	461,045.9	72.2
Electrical & electronics products	Total	236,537.1	34.1	249,907.3	39.1
	People's Rep. Of China	41,534.9	6.0	40,994.1	6.4
	Singapore	32,177.7	4.6	36,196.1	5.7
	USA	30,406.4	4.4	35,568.9	5.6
	Hong Kong	23,775.9	3.4	25,171.9	3.9
	Japan	17,631.1	2.5	18,279.9	2.9
Chemicals & chemical products	Total	47,190.3	6.8	40,694.5	6.4
	People's Rep. Of China	8,212.5	1.2	6,964.3	1.1
	Indonesia	4,360.3	0.6	3,811.7	0.6
	Thailand	3,949.0	0.6	3,095.6	0.5
	Singapore	3,627.1	0.5	3,418.3	0.5
	Japan	3,272.8	0.5	2,433.1	0.4
Machinery, appliances & parts	Total	23,595.8	3.4	21,239.3	3.3
	Singapore	4,521.3	0.7	4,300.9	0.7
	Indonesia	2,345.2	0.3	1,655.5	0.3
	Thailand	1,941.8	0.3	1,775.2	0.3
	USA	1,569.1	0.2	1,519.5	0.2
	People's Rep. Of China	1,320.2	0.2	1,303.9	0.2
Manufactures of metal	Total	21,468.1	3.1	18,378.4	2.9
	Singapore	3,988.7	0.6	4,017.0	0.6
	Thailand	1,660.1	0.2	1,653.6	0.3
	Japan	1,640.4	0.2	1,442.6	0.2
	People's Rep. Of China	1,609.3	0.2	1,336.9	0.2
	India	1,371.3	0.2	989.0	0.2
Optical & scientific equipment	Total	18,753.8	2.7	18,318.6	2.9
	USA	3,423.3	0.5	3,592.8	0.6
	Singapore	2,634.3	0.4	2,369.4	0.4
	Japan	2,346.6	0.3	2,015.9	0.3
	Netherlands	1,913.5	0.3	1,500.1	0.2
	People's Rep. Of China	1,572.2	0.2	1,837.3	0.3

Source : DOSM

Products	2011 ^P			2010	
	Country	RM million	Share (%)	RM million	Share (%)
Rubber products	Total	18,142.7	2.6	16,025.6	2.5
	People's Rep. Of China	4,686.0	0.7	4,102.6	0.6
	USA	3,662.1	0.5	3,509.9	0.5
	Germany	843.7	0.1	826.3	0.1
	Japan	740.3	0.1	638.1	0.1
	Thailand	595.4	0.1	462.8	0.1
Wood products	Total	14,504.6	2.1	14,832.4	2.3
	Japan	3,966.1	0.6	3,185.2	0.5
	USA	2,135.4	0.3	2,495.4	0.4
	Australia	696.8	0.1	639.6	0.1
	Singapore	659.2	0.1	646.4	0.1
	Chinese Taipei	652.1	0.1	717.4	0.1
Processed food	Total	13,501.9	1.9	11,995.9	1.9
	Singapore	1,985.5	0.3	1,794.6	0.3
	Indonesia	1,217.7	0.2	973.3	0.2
	USA	990.9	0.1	1,211.2	0.2
	People's Rep. Of China	777.8	0.1	564.1	0.1
	Australia	653.5	0.1	581.4	0.1
Textile & apparel	Total	10,805.8	1.6	9,324.1	1.5
	USA	2,007.6	0.3	1,767.5	0.3
	Japan	708.6	0.1	713.3	0.1
	Turkey	699.3	0.1	596.3	0.1
	Indonesia	557.3	0.1	404.3	0.1
	People's Rep. Of China	551.4	0.1	512.2	0.1
Iron & steel products	Total	10,178.5	1.5	8,454.2	1.3
	Singapore	1,257.6	0.2	1,113.4	0.2
	Indonesia	1,134.2	0.2	899.2	0.1
	Thailand	993.1	0.1	987.5	0.2
	Viet Nam	947.7	0.1	1,405.5	0.2
	Republic of Korea	651.0	0.1	471.3	0.1

Table 16: Major Imports of Manufactured Goods from Top Five Suppliers, 2010-2011

Products	2011 ^a			2010		Products	2011 ^a			2010	
	Country	RM million	Share (%)	RM million	Share (%)		Country	RM million	Share (%)	RM million	Share (%)
Total		574,232.0	100.0	528,828.2	100.0	Iron & steel products	Total	24,836.8	4.3	21,293.7	4.0
Manufactured Goods		447,841.8	78.0	430,279.7	81.4		Japan	6,535.2	1.1	5,421.6	1.0
Electrical & electronics products	Total	177,889.3	31.0	189,398.8	35.8		People's Rep. of China	3,457.3	0.6	2,823.7	0.5
	People's Rep. of China	32,736.0	5.7	30,832.2	5.8		Republic of Korea	3,022.4	0.5	2,395.9	0.5
	USA	26,627.2	4.6	29,564.1	5.6		Chinese Taipei	2,529.6	0.4	2,382.2	0.5
	Singapore	24,872.9	4.3	21,126.8	4.0		USA	1,966.5	0.3	1,776.3	0.3
	Japan	19,927.1	3.5	22,005.9	4.2	Optical & scientific equipment	Total	18,285.6	3.2	17,201.2	3.3
	Chinese Taipei	14,540.3	2.5	12,854.4	2.4		Japan	4,272.8	0.7	3,517.2	0.7
Chemicals & chemical products	Total	51,116.3	8.9	45,047.8	8.5		USA	3,197.6	0.6	3,189.6	0.6
	Singapore	6,539.0	1.1	6,200.3	1.2		Singapore	2,605.8	0.5	2,732.1	0.5
	People's Rep. of China	6,223.6	1.1	5,178.2	1.0		People's Rep. of China	2,343.6	0.4	2,130.9	0.4
	Japan	5,066.9	0.9	4,722.3	0.9		Germany	1,118.4	0.2	1,204.8	0.2
	USA	4,417.4	0.8	4,646.3	0.9	Processed food	Total	13,058.0	2.3	10,777.0	2.0
	Thailand	3,542.2	0.6	3,003.0	0.6		Brazil	2,040.0	0.4	1,419.0	0.3
Machinery, appliances & parts	Total	46,954.4	8.2	43,905.8	8.3		Thailand	1,649.6	0.3	1,082.2	0.2
	People's Rep. of China	8,867.7	1.5	7,115.5	1.3		New Zealand	1,534.7	0.3	1,239.7	0.2
	Japan	8,314.3	1.4	8,588.2	1.6		USA	1,151.4	0.2	913.6	0.2
	USA	6,138.6	1.1	6,111.4	1.2		Australia	997.6	0.2	1,393.6	0.3
	Germany	3,988.2	0.7	3,700.2	0.7	Paper & pulp products	Total	6,609.6	1.2	6,673.1	1.3
	Thailand	3,267.8	0.6	3,732.0	0.7		Indonesia	1,167.6	0.2	1,220.0	0.2
Manufactures of metal	Total	32,856.1	5.7	29,031.7	5.5		People's Rep. of China	853.9	0.1	700.5	0.1
	Japan	5,734.1	1.0	5,909.5	1.1		USA	518.7	0.1	507.0	0.1
	People's Rep. of China	4,431.7	0.8	3,921.5	0.7		Chinese Taipei	494.6	0.1	446.1	0.1
	Australia	3,722.2	0.6	2,525.4	0.5		Singapore	486.7	0.1	471.8	0.1
	Indonesia	2,568.1	0.4	2,787.7	0.5	Textiles & apparel	Total	6,584.8	1.1	5,152.6	1.0
	Singapore	2,147.5	0.4	1,831.1	0.3		People's Rep. of China	2,693.3	0.5	1,864.9	0.4
Transport Equipment	Total	31,287.1	5.4	28,295.4	5.4		Chinese Taipei	586.2	0.1	481.6	0.1
	Japan	7,122.6	1.2	7,817.6	1.5		Indonesia	458.7	0.1	366.1	0.1
	France	5,357.0	0.9	2,128.2	0.4		Japan	443.0	0.1	313.5	0.1
	Thailand	4,020.0	0.7	5,164.8	1.0		Thailand	409.0	0.1	450.2	0.1
	USA	3,467.7	0.6	2,561.2	0.5						
	Germany	3,084.6	0.5	2,141.6	0.4						

Source : DOSM

Table 17: Exports of Top Ten Products to Selected Destinations, 2010-2011

Products	2011			2010	
	RM million	Share (%)	Change (%)	RM million	Share (%)
Total	694,548.5	100.0	8.7	638,822.5	100
Manufactured Goods	470,299.0	67.7	2.0	461,045.9	72.2
Agricultural Goods	94,227.7	13.6	32.6	71,074.2	11.1
Mining Goods	125,367.4	18.1	22.3	102,541.1	16.1
ASEAN	171,536.0	24.7	5.8	162,159.7	25.4
Manufactured Goods	125,750.8	18.1	2.0	123,335.8	19.3
Agricultural Goods	11,657.0	1.7	37.5	8,475.6	1.3
Mining Goods	32,637.1	4.7	12.8	28,925.8	4.5
Electrical & Electronic Products	50,070.4	7.2	-6.2	53,380.3	8.4
Refined Petroleum Products	23,670.4	3.4	29.1	18,336.7	2.9
Chemicals & Chemical Products	15,489.1	2.2	14.6	13,510.3	2.1
Machinery, Appliance & Parts	10,290.6	1.5	13.5	9,062.8	1.4
Manufactures of Metal	7,973.6	1.1	6.2	7,505.5	1.2
Crude Petroleum	7,669.9	1.1	-21.4	9,752.4	1.5
Palm Oil	6,510.5	0.9	63.7	3,977.2	0.6
Processed Food	5,180.0	0.7	12.7	4,598.2	0.7
Optical & Scientific Equipment	4,708.5	0.7	4.7	4,498.2	0.7
Iron & Steel Products	4,688.4	0.7	0.2	4,678.0	0.7
PEOPLE'S REPUBLIC OF CHINA	91,246.8	13.1	13.9	80,104.6	12.5
Manufactured Goods	62,955.6	9.1	4.6	60,161.0	9.4
Agriculture Goods	21,220.5	3.1	51.5	14,010.2	2.2
Mining Goods	6,830.5	1.0	18.8	5,750.4	0.9
Electrical & Electronic Products	41,534.9	6.0	1.3	40,994.1	6.4
Palm Oil	13,993.3	2.0	47.4	9,495.0	1.5
Chemicals & Chemical Products	8,212.5	1.2	17.9	6,964.3	1.1
Crude Rubber	5,710.3	0.8	62.7	3,508.9	0.5
Rubber Products	4,686.0	0.7	14.2	4,102.6	0.6
Crude Petroleum	2,382.5	0.3	-7.0	2,562.1	0.4
LNG	1,726.9	0.2	39.7	1,236.0	0.2
Manufactures of Metal	1,630.9	0.2	21.2	1,345.1	0.2
Optical & Scientific Equipment	1,572.2	0.2	-14.4	1,837.3	0.3
Machinery, Appliance & Parts	1,320.2	0.2	1.3	1,303.9	0.2
JAPAN	68,693.1	10.7	14.3	60,096.9	10.9
Manufactured Goods	58,319.2	9.1	11.2	52,429.1	9.5
Agriculture Goods	9,177.9	1.4	41.5	6,484.9	1.2
Mining Goods	924.4	0.1	4.4	885.7	0.2
Electrical & Electronic Products	35,773.3	5.6	7.4	33,302.4	6.0
Palm Oil	5,254.7	0.8	24.0	4,236.5	0.8

Source : DOSM

Products	2011			2010	
	RM million	Share (%)	Change (%)	RM million	Share (%)
JAPAN (cont'd)					
Chemicals & Chemical Products	3,557.8	0.6	40.5	2,532.4	0.5
Rubber Products	3,144.6	0.5	24.8	2,520.1	0.5
Crude Rubber	2,788.2	0.4	135.7	1,182.8	0.2
Optical & Scientific Equipment	2,617.4	0.4	21.8	2,149.7	0.4
Machinery, Appliance & Parts	2,486.4	0.4	32.3	1,878.7	0.3
Wood Products	1,785.2	0.3	-2.4	1,829.6	0.3
Manufactures of Metal	1,709.9	0.3	31.1	1,303.9	0.2
Transport Equipment	1,435.5	0.2	5.2	1,364.6	0.2
EU	71,946.8	10.4	4.7	68,688.3	10.8
Manufactured Goods	58,534.8	8.4	0.4	58,313.1	9.1
Agriculture Goods	11,931.8	1.7	30.0	9,179.9	1.4
Mining Goods	1,163.8	0.2	25.9	924.4	0.1
Electrical & Electronic Products	32,684.0	4.7	-8.7	35,800.5	5.6
Palm Oil	6,882.8	1.0	31.0	5,254.7	0.8
Chemicals & Chemical Products	4,236.7	0.6	19.2	3,554.4	0.6
Crude Rubber	3,905.2	0.6	39.9	2,791.7	0.4
Rubber Products	3,447.9	0.5	9.6	3,144.6	0.5
Optical & Scientific Equipment	3,182.6	0.5	20.2	2,646.7	0.4
Machinery, Appliance & Parts	2,617.6	0.4	8.0	2,424.2	0.4
Manufactures of Metal	2,457.0	0.4	43.7	1,710.3	0.3
Textile & Clothings	1,576.1	0.2	26.0	1,251.3	0.2
Transport Equipment	1,544.2	0.2	7.5	1,436.2	0.2
USA	57,577.7	8.3	-5.5	60,950.9	9.5
Manufactured Goods	50,790.8	7.3	-8.4	55,428.0	8.7
Agriculture Goods	6,045.4	0.9	32.2	4,574.5	0.7
Mining Goods	596.2	0.1	-23.8	782.9	0.1
Electrical & Electronic Products	30,406.4	4.4	-14.5	35,568.9	5.6
Palm Oil	4,591.1	0.7	33.8	3,430.5	0.5
Rubber Products	3,662.1	0.5	4.3	3,509.9	0.5
Optical & Scientific Equipment	3,423.3	0.5	-4.7	3,592.8	0.6
Wood Products	2,135.4	0.3	-14.4	2,495.4	0.4
Textile & Clothings	2,007.6	0.3	13.6	1,767.5	0.3
Chemicals & Chemical Products	1,758.5	0.3	21.6	1,446.2	0.2
Machinery, Appliance & Parts	1,569.1	0.2	3.3	1,519.5	0.2
Manufactures of Metal	1,025.7	0.1	12.9	908.6	0.1
Processed Food	990.9	0.1	-18.2	1,211.2	0.2

Table 18: Imports of Top Ten Products from Selected Sources, 2010-2011

Products	2011			2010	
	RM million	Share (%)	Change (%)	RM million	Share (%)
Total	574,232.0	100.0	8.6	528,828.2	100.0
Manufactured Goods	447,841.8	78.0	4.1	430,279.7	81.4
Agriculture Goods	42,020.3	7.3	26.3	33,283.0	6.3
Mining Goods	71,759.3	12.5	30.0	55,179.4	10.4
ASEAN	159,304.6	27.7	11.2	143,288.1	27.1
Manufactured Goods	96,149.6	16.7	1.4	94,789.1	17.9
Agriculture Goods	21,787.3	3.8	23.5	17,641.0	3.3
Mining Goods	38,217.7	6.7	34.2	28,469.1	5.4
Electrical & Electronic Products	38,811.1	6.8	-5.7	41,147.7	7.8
Refined Petroleum Products	27,318.0	4.8	34.2	20,359.5	3.8
Chemicals & Chemical Products	13,206.1	2.3	14.7	11,517.4	2.2
Palm Oil	8,881.3	1.5	57.6	5,635.5	1.1
Machinery, Appliance & Parts	7,634.0	1.3	-3.1	7,880.5	1.5
Manufactures of Metal	7,281.4	1.3	9.2	6,665.8	1.3
Transport Equipment	6,150.4	1.1	-12.5	7,032.9	1.3
Crude Rubber	5,864.0	1.0	15.0	5,097.4	1.0
Crude Petroleum	4,342.2	0.8	23.8	3,507.9	0.7
Processed Food	3,850.1	0.7	37.7	2,796.4	0.5
People's Republic of China	75,612.6	13.2	13.8	66,429.8	12.6
Manufactured Goods	71,477.7	12.4	14.8	62,277.7	11.8
Agriculture Goods	3,178.9	0.6	7.3	2,962.4	0.6
Mining Goods	477.2	0.1	-33.6	719.0	0.1
Electrical & Electronic Products	32,736.0	5.7	6.2	30,832.2	5.8
Machinery, Appliance & Parts	8,867.7	1.5	24.6	7,115.5	1.3
Chemicals & Chemical Products	6,223.6	1.1	20.2	5,178.2	1.0
Manufactures of Metal	4,443.7	0.8	13.1	3,928.9	0.7
Iron & Steel Products	3,457.3	0.6	22.4	2,823.7	0.5
Textile & Clothings	2,693.3	0.5	44.4	1,864.9	0.4
Transport Equipment	2,516.3	0.4	32.6	1,898.1	0.4
Optical & Scientific Equipment	2,343.6	0.4	10.0	2,130.9	0.4
Manufacture of Plastics	1,506.5	0.3	41.2	1,067.0	0.2
Vegetables, Roots, Tubers	1,014.9	0.2	-7.5	1,096.8	0.2
JAPAN	65,321.9	11.4	-1.8	66,534.8	12.6
Manufactured Goods	64,286.8	11.2	-1.8	65,447.1	12.4
Agriculture Goods	123.6	neg.	22.8	100.6	neg.
Mining Goods	216.6	neg.	-23.0	281.3	0.1
Electrical & Electronic Products	19,927.1	3.5	-9.4	22,005.9	4.2
Machinery, Appliance & Parts	8,314.3	1.4	-3.2	8,588.2	1.6

Products	2011			2010	
	RM million	Share (%)	Change (%)	RM million	Share (%)
JAPAN (cont'd)					
Transport Equipment	7,122.6	1.2	-8.9	7,817.6	1.5
Iron & Steel Products	6,535.2	1.1	20.5	5,421.6	1.0
Manufactures of Metal	5,737.9	1.0	-3.0	5,913.4	1.1
Chemicals & Chemical Products	5,066.9	0.9	7.3	4,722.3	0.9
Optical & Scientific Equipment	4,272.8	0.7	21.5	3,517.2	0.7
Jewellery	2,360.8	0.4	-8.3	2,575.5	0.5
Manufacture of Plastics	1,232.0	0.2	-2.5	1,263.3	0.2
Non Metallic Mineral Products	1,041.6	0.2	9.8	948.5	0.2
EU	59,966.7	10.4	10.8	54,122.3	10.2
Manufactured Goods	58,396.5	10.2	10.5	52,833.2	10.0
Agriculture Goods	629.2	0.1	23.4	509.8	0.1
Mining Goods	395.1	0.1	37.0	288.5	0.1
Electrical & Electronic Products	17,754.2	3.1	-10.6	19,849.8	3.8
Transport Equipment	9,974.3	1.7	73.6	5,745.7	1.1
Machinery, Appliance & Parts	9,141.5	1.6	11.0	8,237.7	1.6
Chemicals & Chemical Products	7,675.6	1.3	12.2	6,843.5	1.3
Optical & Scientific Equipment	2,250.1	0.4	3.3	2,177.4	0.4
Manufactures of Metal	2,187.5	0.4	10.1	1,986.8	0.4
Iron & Steel Products	2,063.1	0.4	21.6	1,696.0	0.3
Processed Food	1,626.1	0.3	14.4	1,421.0	0.3
Paper & Pulp Products	1,104.5	0.2	-8.1	1,202.5	0.2
Beverages & Tobacco	1,056.8	0.2	43.5	736.4	0.1
USA	55,404.1	9.6	-1.5	56,258.9	10.6
Manufactured Goods	52,510.9	9.1	-2.3	53,721.0	10.2
Agriculture Goods	2,055.0	0.4	39.9	1,468.5	0.3
Mining Goods	325.2	0.1	-39.8	540.0	0.1
Electrical & Electronic Products	26,627.2	4.6	-9.9	29,564.1	5.6
Machinery, Appliance & Parts	6,138.6	1.1	0.4	6,111.4	1.2
Chemicals & Chemical Products	4,417.4	0.8	-4.9	4,646.3	0.9
Transport Equipment	3,467.7	0.6	35.4	2,561.2	0.5
Optical & Scientific Equipment	3,197.6	0.6	0.2	3,189.6	0.6
Iron & Steel Products	1,966.5	0.3	10.7	1,776.3	0.3
Manufactures of Metal	1,703.0	0.3	15.6	1,472.9	0.3
Processed Food	1,151.4	0.2	26.0	913.6	0.2
Non Metallic Mineral Products	831.0	0.1	80.0	461.6	0.1
Manufacture of Plastics	572.6	0.1	-8.1	623.0	0.1

Source : DOSM

Note : neg. - negligible

APPENDIX 3 : MANUFACTURING PROJECTS APPROVED WITH FOREIGN PARTICIPATION, 2000-2011 BY COUNTRY

Country	2011			2010		
	Number	Investment (RM)	Investment (USD)	Number	Investment (RM)	Investment (USD)
Japan	77	10,101,843,184	3,186,701,320	61	4,029,364,662	1,308,235,280
Korea,Rep.	10	5,185,122,961	1,635,685,477	7	199,242,514	64,689,128
USA	21	2,508,973,082	791,474,158	47	11,738,585,537	3,811,229,070
Singapore	88	2,477,713,827	781,613,195	81	2,156,733,013	700,237,991
Germany	13	1,951,184,609	615,515,650	16	1,936,669,154	628,788,686
Chinese Taipei	23	1,394,403,650	439,874,968	41	1,255,894,186	407,757,853
PRC	20	1,194,224,823	376,727,074	20	639,534,090	207,640,938
Netherlands	14	1,010,043,358	318,625,665	13	934,583,868	303,436,321
Indonesia	4	692,522,338	218,461,305	9	12,729,895	4,133,083
Canada	7	449,131,105	141,681,737	1	27,970,000	9,081,169
Hong Kong	10	394,929,855	124,583,550	11	2,766,457,013	898,200,329
Switzerland	5	353,530,245	111,523,737	5	574,151,271	186,412,750
Cayman Islands	5	346,981,038	109,457,741	1	40,600,000	13,181,818
Australia	17	290,530,077	91,649,867	13	68,582,702	22,267,111
Sweden	6	276,194,146	87,127,491	6	21,971,152	7,133,491
Turkey	1	270,000,000	85,173,502	.	.	.
India	5	247,558,022	78,094,013	12	49,922,630	16,208,646
Thailand	3	241,533,800	76,193,628	5	159,519,699	51,792,110
United Kingdom	11	240,673,279	75,922,170	16	328,684,529	106,715,756
France	5	177,455,180	55,979,552	5	210,392,878	68,309,376
Denmark	2	156,709,783	49,435,263	3	35,304,548	11,462,516
Italy	4	82,234,653	25,941,531	3	29,504,000	9,579,221
Luxembourg	1	61,202,846	19,306,891	1	0	0
Pakistan	3	23,821,431	7,514,647	7	42,988,092	13,957,173
Ireland	1	19,380,000	6,113,565	.	.	.
Iran	3	16,517,648	5,210,615	2	37,240,000	12,090,909
British Virgin Islands	3	15,323,374	4,833,872	3	889,943,036	288,942,544
Brazil	1	9,914,835	3,127,708	.	.	.
Bermuda	1	9,109,600	2,873,691	.	.	.
Slovakia	1	8,378,400	2,643,028	.	.	.
Norway	1	7,800,000	2,460,568	1	25,242,000	8,195,455
Bangladesh	2	7,063,765	2,228,317	2	9,605,000	3,118,506
Philippines	2	432,500	136,435	.	.	.
New Zealand	1	397,600	125,426	1	500,000	162,338
Saudia Arabia	1	2,170,930,000	684,835,962	1	1,582,188	513,697
Finland	.	.	.	2	319,077,520	103,596,597
Russian Federation	.	.	.	1	81,850,000	26,574,675
Belgium	.	.	.	2	20,289,293	6,587,433
United Arab Emirates	.	.	.	2	16,669,056	5,412,031
Austria	.	.	.	3	15,999,500	5,194,643
Belarus	.	.	.	2	11,828,000	3,840,260
Qatar	.	.	.	1	3,250,000	1,055,195
Myanmar	.	.	.	1	2,808,000	911,688
Panama	.	.	.	1	2,667,200	865,974
Others	69	1,755,102,399	553,660,063	56	358,668,580	116,450,838
TOTAL		34,148,867,413	10,772,513,379		29,056,604,806	9,433,962,599

Note : 2010 : USD1 = RM3.08 2011 : USD1 = RM3.17

APPENDIX 4 : BILATERAL AGREEMENTS ON TRADE AND INVESTMENT

Trade Agreements

No	Country	Date of Signing	No	Country	Date of Signing
1.	Albania	24.01.1994	32.	Malawi	05.09.1996
2.	Algeria	11.08.2003	33.	Mali	16.11.1990
3.	Argentina	01.07.1991	34.	Morocco	10.03.1997
4.	Australia	26.08.1958	35.	Myanmar	09.06.1998
	(New Agreement)	20.10.1997	36.	Namibia	12.08.1994
5.	Bangladesh	01.12.1977	37.	New Zealand	03.02.1961
6.	Bosnia-Herzegovina	26.10.1994		(New Agreement)	17.10.1997
7.	Brazil	26.04.1996	38.	North Korea	09.06.1979
8.	Bulgaria	20.05.1968	39.	Pakistan	05.11.1987
9.	Burkina Faso	23.04.1998	40.	Peru	13.10.1995
10.	Cambodia	04.02.1999	41.	Republic of Korea	05.11.1962
11.	Chile	21.06.1991		(New Agreement)	09.06.1979
12.	People's Republic of China	01.04.1988	42.	Qatar	20.05.2009
13.	Colombia	14.08.1995	43.	Romania	01.03.1991
14.	Croatia	26.10.1994	44.	South Africa	07.03.1997
15.	Cuba	26.09.1997	45.	Sudan	14.05.1998
16.	Egypt	08.01.1977	46.	Suriname	25.05.1998
17.	Ethiopia	22.10.1998	47.	Swaziland	12.10.1998
18.	Ghana	03.12.1995	48.	Syria	17.08.2003
19.	Guinea	11.10.1999	49.	Thailand	06.10.2000
20.	India	11.10.2000	50.	Tunisia	25.11.1992
21.	Indonesia	16.10.1973	51.	Turkey	13.02.1977
22.	Iran	19.03.1989	52.	Turkmenistan	13.05.1994
23.	Iraq	17.02.1977	53.	United Arab Emirates	26.02.1962
24.	Japan	10.05.1960	54.	Uganda	16.04.1998
25.	Jordan	02.10.1994	55.	Ukraine	19.08.2002
26.	Kazakhstan	27.05.1996	56.	Uruguay	09.08.1995
27.	Kyrgyz Republic	20.07.1995	57.	United States of America	10.05.2004
28.	Lao PDR	11.08.1998	58.	USSR (Russia)	03.04.1967
29.	Lebanon	23.03.1995	59.	Uzbekistan	06.10.1997
30.	Libya	18.01.1977	60.	Venezuela	26.11.1991
31.	Macedonia	11.11.1997	61.	Viet Nam	11.08.1992
32.	Chinese Taipei	18.02.1993	62.	Yemen	11.02.1998
			63.	Zimbabwe	09.07.1993

Source : Ministry of International Trade and Industry

Free Trade Agreements

No	Country	Date of Signing
1.	ASEAN Free Trade Agreement	January 1992
2.	ASEAN-China Free Trade Agreement	29 November 2004
3.	Malaysia - Japan Economic Partnership Agreement (MJPEA)	13 December 2005
4.	ASEAN-Korea Free Trade Agreement	26 August 2006
5.	Malaysia - Pakistan Closer Economic Partnership Agreement (MPCEPA)	08 November 2007
6.	ASEAN-Japan Closer Economic Partnership Agreement	14 April 2008
7.	ASEAN - Australia and New Zealand Free Trade Agreement	27 February 2009
8.	ASEAN - India Free Trade Agreement (Trade In Goods)	13 August 2009
9.	Malaysia-New Zealand Free Trade Agreement	26 October 2009
10.	Malaysia-Chile Free Trade Agreement	13 November 2010
11.	Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)	18 February 2011

Source : Ministry of International Trade and Industry

Bilateral Payment Arrangements/Agreements

No	Country	Date of Signing	No	Country	Date of Signing
IRANIAN MODEL					
1.	Bosnia-Herzegovina	13.11.1996	4.	Iran	08.08.1988
2.	Botswana	06.06.1991	5.	Mozambique	27.04.1991
3.	Fiji	12.10.1991			
ALADI MODEL					
6.	Albania	24.01.1994	14.	Peru	13.11.1991
7.	Algeria	31.01.1992	15.	Philippines	20.05.1999
8.	Argentina	03.12.1993	16.	Seychelles	21.09.1992
9.	Chile	21.06.1991	17.	Thailand	20.09.2002
10.	Indonesia	18.06.2004	18.	Tunisia	25.11.1992
11.	Kyrgyz Republic	05.08.2002	19.	Turkmenistan	30.05.1994
12.	Lao PDR	16.04.1994	20.	Viet Nam	29.03.1993
13.	Mexico	24.09.1990	21.	Zimbabwe	07.06.1991

Source : Bank Negara Malaysia

Notes :

- Iranian Model: Under this model, the central banks are not involved in the settlement of financial claims arising from trade. The central banks guarantee to pay the respective foreign exporter for the export value in the event of default by the importer in their country.*
- ALADI Model: Under this model, the central banks will guarantee payments to their respective exporters in domestic currency and settle, on a period basis, the net amount due to each other in an agreed currency.*
- POCPA: Under this scheme, developing countries would be able to import palm oil from Malaysia on deferred payment terms for a period of up to two years.*

Agreements on the Avoidance of Double Taxation

No	Country	Date of Signing	No	Country	Date of Signing
1.	Albania	24.01.1994	36.	Myanmar	09.03.1998
2.	Australia (2nd Protocol)	20.08.1980 28.07.2002	37.	Namibia	28.07.1997
3.	Austria	20.09.1989	38.	Netherlands (Protocol)	07.03.1988 04.12.1996
4.	Bahrain	14.06.1999	39.	New Zealand (Protocol)	19.03.1976 14.07.1994
5.	Bangladesh	19.04.1983	40.	Norway	23.12.1970
6.	Belgium (Protocol)	24.10.1973 21.11.1995	41.	Pakistan	29.05.1982
7.	Bosnia- Herzegovina	21.06.2007	42.	Philippines	27.04.1982
8.	Canada	16.10.1976	43.	Papua New Guinea	20.05.1993
9.	Chile	03.09.2004	44.	Poland	16.09.1977
10.	People's Republic of China (Protocol)	23.11.1985 05.06.2000	45.	Republic of Korea	20.04.1982
11.	Croatia	18.02.2002	46.	Romania	26.11.1982
12.	Czech Republic	08.03.1996	47.	Russia	31.07.1987
13.	Denmark (Protocol)	04.12.1970 03.12.2003	48.	Saudi Arabia	31.01.2006
14.	Egypt	14.04.1997	49.	Republic of Seychelles	03.12.2003
15.	Germany	08.04.1977	50.	Singapore (Supplementary (New Agreement))	26.12.1968 06.07.1973 05.10.2004
16.	Fiji	19.12.1995	51.	South Africa	26.07.2005
17.	Finland	28.03.1984	52.	Spain	24.05.2006
18.	France (Protocol)	24.04.1975 31.01.1991	53.	Sri Lanka (New Agreement)	16.09.1972 16.09.1997
19.	Hungary	24.05.1989	54.	Sudan	07.10.1993
20.	India (New Agreement)	25.10.1976 14.05.2001	55.	Sweden (New Agreement)	21.11.1970 12.03.2002
21.	Indonesia (Protocol)	12.09.1991 12.01.2006	56.	Switzerland	30.12.1974
22.	Iran (Protocol)	11.11.1992 22.07.2002	57.	Syria	26.02.2007
23.	Ireland	28.11.1998	58.	Chinese Taipei	July 1996
24.	Italy	28.01.1984	58.	Thailand (Protocol)	29.03.1982 10.02.1995
25.	Japan (New Agreement)	30.01.1970 19.02.1999	59.	Turkey	27.09.1994
26.	Jordan	02.10.1994	60.	United Arab Emirates	28.11.1995
27.	Kazakhstan	26.06.2006	61.	United Kingdom (New Agreement)	30.03.1973 10.12.1996
28.	Kuwait (New agreement)	06.04.1997 05.02.2003	62.	Uzbekistan	06.10.1997
29.	Kyrgyz Republic	17.11.2000	63.	Venezuela	28.08.2006
30.	Lebanon	20.01.2003	64.	Viet Nam	07.09.1995
31.	Luxembourg	21.11.2002	65.	Zimbabwe	28.04.1994
32.	Malta	03.10.1995	Restricted Agreements (with respect to taxes on income on air transport and shipping)		
33.	Mauritius	23.08.1992	66.	Argentina	03.10.1997
34.	Mongolia	27.07.1995	67.	Saudi Arabia	18.07.1993
35.	Morocco	02.07.2001	68.	USA	18.04.1989

Source : Ministry of Finance

List of IGAs Signed by Malaysia

No	Country	Date of Signing	No	Country	Date of Signing
1.	USA	21.04.1959	37.	Jordan	02.10.1994
2.	Germany	22.12.1960	38.	Bangladesh	12.10.1994
3.	Canada	01.10.1971	39.	Croatia	16.12.1994
4.	Netherlands	15.06.1971	40.	Bosnia Herzegovina	16.12.1994
5.	France	24.04.1975	41.	Spain	04.04.1995
6.	Switzerland	01.03.1978	42.	Pakistan	07.07.1995
7.	Sweden	03.03.1979	43.	Republic of Kyrgyz	20.07.1995
8.	Belgo-Luxembourg	22.11.1979	44.	Mongolia	27.07.1995
9.	United Kingdom	21.05.1981	45.	India	03.08.1995
10.	Sri Lanka	16.04.1982	46.	Uruguay	09.08.1995
11.	Romania (first signed)	26.11.1982	47.	Peru	13.10.1995
	Review of IGA	25.06.1966	48.	Kazakstan	27.05.1996
	Amended via Protocol	28.04.2006	49.	Malawi	05.09.1996
12.	Norway	06.11.1984	50.	Republic of Czech	09.09.1996
13.	Austria	12.04.1985	51.	Guinea	07.11.1996
14.	Finland	15.04.1985	52.	Ghana	11.11.1996
15.	OIC	30.09.1987	53.	Egypt	14.04.1997
16.	Kuwait	21.11.1987	54.	Botswana	31.07.1997
17.	ASEAN	15.12.1987	55.	Cuba	26.09.1997
18.	Italy	04.01.1988	56.	Uzbekistan	06.10.1997
19.	South Korea	11.04.1988	57.	Macedonia	11.11.1997
20.	PRC	21.11.1988	58.	North Korea	04.02.1998
21.	United Arab Emirates	11.10.1991	59.	Yemen	11.02.1998
22.	Denmark	06.01.1992	60.	Turkey	25.02.1998
23.	Viet Nam	21.01.1992	61.	Lebanon	26.02.1998
24.	Papua New Guinea	27.10.1992	62.	Burkina Faso	23.04.1998
25.	Republic of Chile	11.11.1992	63.	Republic of Sudan	14.05.1998
26.	Laos	08.12.1992	64.	Republic of Djibouti	03.08.1998
27.	Chinese Taipei	18.02.1993	65.	Republic of Ethiopia	22.10.1998
28.	Hungary	19.02.1993	66.	Senegal	11.02.1999
29.	Poland	21.04.1993	67.	State of Bahrain	15.06.1999
30.	Indonesia	22.01.1994	68.	Algeria	27.01.2000
31.	Albania	24.01.1994	69.	Saudi Arabia	25.10.2000
32.	Zimbabwe	28.04.1994	70.	Morocco	16.04.2002
33.	Turkmenistan	30.05.1994	71.	Iran	22.07.2000
34.	Namibia	12.08.1994	72.	Republic of Slovak	12.07.2007
35.	Cambodia	17.08.1994	73.	Syrian Arab Republic	07.01.2009
36.	Argentina	06.09.1994			

Source: Ministry of International Trade and Industry

APPENDIX 5 : IMPORT LICENSING

No.	Product	Issuing Authority
1.	Rice and paddy, including rice flour, rice polishings, rice bran and rice vermicelli	Ministry of Agriculture and Agro-based Industry
2.	Sugar : 1701, 1702.11 100, 1702.19 100, 1702.20 100, 1702.30 100, 1702.40 100, 1702.60 100, 1702.90 190, 1703	MITI
3.	Birds' nest, eggs of poultry, birds and testudinate (terrapin and the like), excluding turtle eggs	Veterinary Department
4.	Magnetic tape webs for video and sound recording	MITI
5.	Safety helmets : 6506.10 000	MITI
6.	Rice milling machinery including parts thereof	Ministry of Agriculture and Agro-based Industry
7.	Automatic cassette or cartridge loaders 8479.89.900	MITI
8.	Parts of automatic cassette or cartridge loader 8479.90 000	MITI
9.	All single colour copying machines	MITI
10.	Apparatus or equipment to be attached to or connected to a public telecommunications network or system	SIRIM BERHAD
11.	All radio communications apparatus capable of being used for telecommunications in the frequency band lower than 3000 GHz or their motherboards, except for : (i) receiver that is designed for use in the broadcasting services; and (ii) radio telecommunications apparatus having a valid license issued by the Telecommunications Authority of any country or an International Automatic Roaming (IAR) card issued by a licensed operator	SIRIM BERHAD
12.	Motor vehicles for the transport of ten or more persons, including the driver: motor buses: completely knocked down completely built-up: new old Other than motor-buses for the transport of ten or more persons, including the driver.	MITI

No.	Product	Issuing Authority
	Motor vehicles for the transport of persons, goods or materials (including sports motor vehicles, other than those of heading 87.11):	
	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars (excluding go-karts and ambulances)	
	Motor vehicles for the transport of goods	
13.	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods excluding fire fighting vehicles (for example breakdown lorries, crane lorries, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units)	MITI
14.	Chassis fitted with engines, for the motor vehicles of heading 87.02, 87.03, 87.04 or 87.05 and parts thereof:	MITI
	For motor vehicles falling within subheadings Nos. 8703.21 321, 8703.21 322, 8703.22 321, 8703.22 322, 8703.23 321, 8703.23 322, 8703.23 323, 8703.23 324, 8703.23 331, 8703.23 332, 8703.23 333, 8703.23 334, 8703.24 321, 8703.24 322, 8703.31 321, 8703.31 322, 8703.32 322, 8703.32 323, 8703.32 324, 8703.32 331, 8703.32 332, 8703.32 333, 8703.33 322, 8703.33 323, 8703.33 324, 8703.33 331, 8703.33 332, 8703.90 310, 8703.90 331, 8703.90 332, 8703.90 333, 8703.90 334, 8703.90 335, 8703.90 341, 8703.90 422, 8703.90 343, 8703.90 344, 8703.90 345	
	For motor vehicles falling within subheadings: 8702.10 121, 8702.10 122, 8702.10 900, 8702.90 121, 8702.90 122 and 8702.90 900	
	For ambulance	
	For motor vehicles falling within heading 87.05	
	For motor vehicles falling within subheadings: 8703.10 100, 8703.10 900, 8703.21 221, 8703.21 222, 8703.21 400, 8703.22 221, 8703.22 222, 8703.22 400, 8703.23 221, 8703.23 222, 8703.23 223, 8703.23 224, 8703.23 231, 8703.23 232, 8703.23 233, 8703.23 234, 8703.23 400, 8703.24 221, 8703.24 222, 8703.24 400, 8703.31 221, 8703.31 222, 8703.31 400, 8703.32 221, 8703.32 222, 8703.32 223, 8703.32 231, 8703.32 232, 8703.32 233, 8703.32 400,	

No.	Product	Issuing Authority
	8703.33 221, 8703.33 222, 8703.33 231, 8703.33 232, 8703.33 400, 8703.90 221, 8703.90 222, 8703.90 233, 8703.90 234, 8703.90 235, 8703.90 400, 8704.10 211, 8704.10 219, 8704.10 311, 8704.10 319, 8704.21 210, 8704.21 220, 8704.22 210, 8704.22 220, 8704.23 210, 8704.23 220, 8704.31 210, 8704.31 220, 8704.32 210, 8704.32 220, 8704.90 210, 8704.90 220	
15.	Chassis, not fitted with engines, for the motor vehicles of heading 87.02, 87.03, 87.04 or 87.05 and parts thereof	MITI
16.	Bodies (including cabs), for motor vehicles falling within heading Nos: 87.02, 87.03, 87.04 or 87.05: For ambulance For motor vehicles falling within subheading Nos : 8703.21 221, 8703.21 222, 8703.21 321, 8703.21 322, 8703.21 400, 8703.22 221, 8703.22 222, 8703.22 321, 8703.22 322, 8703.22 400, 8703.23 221, 8703.23 222, 8703.23 223, 8703.23 224, 8703.23 231, 8703.23 232, 8703.23 233, 8703.23 234, 8703.23 321, 8703.23 322, 8703.23 323, 8703.23 324, 8703.23 331, 8703.23 332, 8703.23 333, 8703.23 334, 8703.23 400, 8703.24 221, 8703.24 222, 8703.24 321, 8703.24 322, 8703.24 400, 8703.31 221, 8703.31 222, 8703.31 321, 8703.31 322, 8703.31 400, 8703.32 221, 8703.32 222, 8703.32 223, 8703.32 231, 8703.32 232, 8703.32 233, 8703.32 321, 8703.32 331, 8703.32 332, 8703.32 333, 8703.32 400, 8703.33 221, 8703.33 222, 8703.33 231, 8703.33 232, 8703.33 321, 8703.33 331, 8703.33 332, 8703.33 400, 8703.90 221, 8703.90 222, 8703.90 223, 8703.90 224, 8703.90 225, 8703.90 231, 8703.90 232, 8703.90 233, 8703.90 234, 8703.90 235, 8703.90 310, 8703.90 331, 8703.90 332, 8703.90 333, 8703.90 334, 8703.90 335, 8703.90 341, 8703.90 342, 8703.90 343, 8703.90 344, 8703.90 345, 8703.90 400 For motor vehicles falling within subheading Nos : 8702.10 121, 8702.10 122, 8702.10 900, 8702.90 121, 8702.90 122, 8702.90 900	MITI
17.	Motorcycles, auto cycles and cycles fitted within auxiliary motor	MITI
18.	Saccharin and its salt	Ministry of Health
19.	Unmanufactured tobacco; tobacco refuse	National Tobacco Board

No.	Product	Issuing Authority
20.	Road tractors for semi-trailers, completely built-up, used : 8701.20 220	MITI
21.	Parabolic antenna for outdoor use.	SIRIM BERHAD
22.	Parabolic equipment, antenna parts and accessories.	SIRIM BERHAD
23.	Acesulfame K	Ministry of Health
24.	Substances covered by The Montreal Protocol :	MITI
	Annex A to the Protocol :	
	Group I :	
	CFC-11 Trichlorofluoromethane	
	CFC-12 Dichlorodifluoromethane	
	CFC-113 1,1,2-Trichloro 1,2,2-trifluoroethane	
	CFC-114 1,2-Dichlorotetra-fluoroethane	
	CFC-115 Chloropentafluoroethane	
	Group II :	
	Halon-1211 Bromochlorodifluoromethane	
	Halon-1301 Bromotrifluoromethane	
	Halon-2402 Dibromotetrafluoromethane	
	Annex B to the Protocol :	
	Group I :	
	CFC-13 Chlorotrifluoromethane	
	CFC-111 Pentachlorofluoroethane	
	CFC-112 Tetrachlorodifluoroethane	
	CFC-211 Heptachlorodifluoropropane	
	CFC-212 Hexachlorodifluoropropane	
	CFC-213 Pentachlorotrifluoropropane	
	CFC-214 Tetrachlorotetrafluoropropane	
	CFC-215 Trichloropentafluoropropane	
	CFC-216 Dichlorohexafluoropropane	
	CFC-217 Chloroheptafluoropropane	
	Group II :	
	CCI Carbon tetrachloride (Tetrachloromethane)	
	Group III:	
	CHCCI Methyl Chloroform 3 3 (1,1,1, Trichloroethane)	

No.	Product	Issuing Authority
25.	Chemicals covered under the 1988 Convention Against Illicit Traffic In Narcotic Drugs and Psychotropic Substances as listed below: 1. Ephedrine and its salts 2. Pseudoephedrine (INN) and its salts 3. Norephedrine and its salts 4. Potassium permanganate 5. Phenylacetone (phenylpropan-2-one) (1-phenyl-2-propanone) 6. N-acetylanthranilic acid 7. Isosafrole 8. 1-(1,3-Benzodioxol-5-yl) propan-2- one (3,4-methylnedioxyphenyl-2- propanone) 9. Piperinal 10. Safrole 11. Ergometrine (INN) and its salts 12. Ergotamine (INN) and its salts 13. Lysergic acid and its salts	Ministry of Health
26.	Caffeine and its salts	Ministry of Health
27.	Optical disc mastering and replicating machines and parts thereof 8479.89 200, 8479.90 000	MITI
28.	Coin making machine	MITI
29.	Medicine making machine : 8479.89 900	MITI
30.	Ships' derricks; cranes (excluding palfinger fully hydraulic compac, hydraulic loading crane and crawler crane), including cable cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane	MITI
31.	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods excluding fire fighting vehicles (for example breakdown lorries, crane lorries, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological units)	MITI
32.	Toxic chemicals and their precursors covered under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction 1993 (CWC).	MITI

No.	Product	Issuing Authority
33.	The following substances structurally derived from Phenethylamine and their salts: (i) Clenbuterol (ii) Salbutamol (iii) Salmeterol (iv) Terbutaline (v) Formoterol (vi) Ractopamine	Ministry of Health
34.	Waste, paring and scrap of plastics : 39.15	MITI
35.	Liquid milk in any form including flavoured milk, recombined or reconstituted : 0401.30 110	MITI
36.	Liquid sterilised flavoured milk including flavoured milk, recombined or reconstituted : 2202.90 100	MITI
37.	Cabbage (round) FAMA	
38.	Coffee, not roasted FAMA	
39.	Cereal flours: Of wheat or of meslin (including atta flour) in packings of over 5 kg Of wheat or of meslin (including atta flour) in packing of not over 5 kg	MITI
40.	Activated clay and activated bleaching earth : 3802.90 100	MITI
41.	Billets of iron or steel	MITI
42.	Bars and rods (including wire rods), or iron or steel, hot-rolled, forged, extruded, cold- formed or cold-finished (including precision made); hollow mining drill steel: Wire rod Bars and rods (excluding wire rods), not further worked than hot-rolled or extruded: round Bars and rods, cold-formed or cold- finished (including precision made): round	MITI

No.	Product	Issuing Authority
43.	Alloy steel and high carbon steel in the form mentioned in heading Nos. 72.06 to 72.17: Wire rod: of high carbon steel: round of stainless or heat resisting steel: round of other alloy steel: round Bars and rods (excluding wire rods) and hollow mining drill steel: of high carbon steel: round of stainless or heat resisting steel: round of other alloy steel: round	MITI
44.	Standard wire, cables, cordages, ropes, plaited bands and the like, of aluminium wire but excluding insulated electric wires and cables : of steel reinforced aluminium of unalloyed aluminium of other aluminium alloys	MITI
45.	Insulated (including enameled or anodised) electric wire, cables, bars and strip and the like (including co-axial cable), whether or not fitted with connectors : Telephone and telegraph (including radio relay) cables others: plastic insulated Power transfer wire, cable, bars, strip and the like: paper insulated	MITI
46.	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated	MITI
47.	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated	MITI
48.	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm not clad, plated or coated	MITI
49.	Flat-rolled products of iron or non-alloy steel of a width of 600mm or more, clad, plated or coated within heading No. 72.10	MITI
50.	Flat-rolled products of iron or non-alloy steel of a width less than 600mm, clad, plated or coated within heading No. 72.12	MITI

No.	Product	Issuing Authority
51.	Tubes, pipes and hollow profiles, of cast iron : sub-heading No. 7303.00 000	MITI
52.	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel within heading No. 73.04	MITI
53.	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406.4mm of iron or steel within heading No. 73.05	MITI
54.	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel within heading No. 73.06	MITI
55.	Domestic animal, live or dead or any part thereof, including edible offals	Veterinary Department
56.	Pest including any vertebrate or invertebrate animal (including the eggs of such animals), fungus, bacterium, virus, viroid, mycoplasma like-organism, weeds or any other organism which is or is capable of being injurious to plants and includes any dangerous pests	Department of Agriculture
57.	Any invertebrate animal (including the eggs of such animals), fungus, bacterium, virus or any other organism which is beneficial to agriculture and which is not capable of being injurious to plants	Department of Agriculture
58.	Any animal or bird, other than a domestic animal or domestic fowl, whether alive or dead or any part thereof including all animals and birds specified in any written law in Malaysia	Wildlife Department
59.	Milk and milk products	Veterinary Department
60.	Lard, other pig fat, poultry fat, rendered or solvent extracted	Veterinary Department
61.	Fats of bovine cattle, sheep or goats, unrendered; rendered or solvent extracted fats (including "premier jus") obtained from those unrendered fats, tallow	Veterinary Department

No.	Product	Issuing Authority
62.	Lard stearin, oleo stearin and tallow stearin, lard oil, oleo oil, tallow oil not emulsified or mixed or prepared in any way	Veterinary Department
63.	Other animal oils and fats (including neat's-foot oil and fats from bones or waste)	Veterinary Department
64.	Sausages and the like, of meat, meat offal or animal blood	Veterinary Department
65.	Plants including any species of plant or any part thereof whether living or dead including the stem, branch, tuber, bulb, corm rhizome, stock, budwood, cutting, layer, slip, sucker, root, leaf, flower, fruit, seed or any other part or product whatsoever of a plant whether severed or attached excluding any plant intended for consumption or manufacturing purpose or any processed plant	Department of Agriculture
66.	Meat extracts and meat juices	Veterinary Department
67.	Fertilisers of animal origin only	Veterinary Department
68.	Bullet-proof vests, steel helmets and other articles of clothing intended as protection against attack	Police Department
69.	All pesticides imported for research and educational purposes under section 14(1) of the Pesticides Act 1974.	Pesticides Board
70.	Imitation arms including toy guns and toy pistols	Police Department
71.	Imitation hand grenades	Police Department
72.	Coral alive or dead except those which have been processed and used as jewellery	Department of Fisheries
73.	Poultry (fowls, chicks, ducks, geese, turkeys, guinea fowls and pigeons) alive or dead or any part thereof	Veterinary Department
74.	Meat and offals, fresh or preserved (dried, dehydrated, salted, pickled or smoked) frozen or chilled, of buffaloes, cattle, sheep and goats	Veterinary Department

No.	Product	Issuing Authority
75.	Birds nest; eggs of poultry, birds, and testudinate (terrapin and the like) excluding turtle eggs	Veterinary Department
76.	Fireworks including fire crackers	Police Department
77.	Explosives including: - propellant powders - prepared explosives, other than propellant powders - safety fuses, detonating fuses, percussion or detonating caps, igniters; detonators - pyrotechnic articles - nitrocellulose - nitroglycerin - mercury fulminate - lead azide - lead styphnate - picric acid (trinitrophenol) - 2, 4, 6-trinitrotoluene (TNT) - pentaerythritol tetranitrate (PETN) - nitroguanidine - trimethylenetrinitramine (cyclotrimethylenetrinitramine)	Police Department
78.	All multicolour copying machines, and colour toner cartridge (any colour other than black) for photo copying machines	MITI
79.	Arms and ammunition as defined under the Arms Act 1960, other than personal arms and ammunition, imported by a bona fide traveller	Police Department
80.	Shotgun cartridges	MITI
81.	Waste as listed below: <ul style="list-style-type: none"> (i) Municipal waste (ii) Vegetation/plants waste (for example branches, stems, skins, husks, shells) 	Ministry of Housing and Local Government
82.	Logs, wood in the rough, whether or not stripped of its bark or merely roughed down, wood roughly squared or half-squared but not further manufactured and Large Scantlings and Squares (LSS) having a cross section exceeding 60 square inches, excluding of Ramin timber	Malaysian Timber Industry Board
83.	Sawn timber, parts and derivatives, of Ramin timber	Malaysian Timber Industry Board
84.	Poles and piles, of Bakau (Rhizophora spp.)	Malaysian Timber Industry Board
85.	Used Tyres	MITI

APPENDIX 6 : TEMPORARY EXCLUSION AND SENSITIVE LISTS FOR INVESTMENT UNDER THE ASEAN INVESTMENT AREA AGREEMENT

Manufacturing Sector

BRUNEI DARUSSALAM

Sensitive List

Industries Closed to Both National and Foreign Investors

Manufacture of garments of categories 338, 339, 638 and 639 – for US market.
No more approval given.

Industries Open with Restriction to Foreign Investors

Industries utilising local resources, domestic market access and government facilities or the manufacturing of food-related products.

Foreign investment must have at least 30% local participation. However, full foreign ownership is allowed if 100% of the product is exported with exception of the manufacturing of food related products and use of local resources.

Industries Closed Only to Foreign Investors

Manufacture of cement.

Manufacture of drinking water either from tap or from local resources.

Subject to control.

CAMBODIA

Sensitive List

Industries Closed to Both National and Foreign Investors

Manufacture/processing of cultural items. → Subject to prior approval from relevant Ministries.

Sawn timber, veneer, plywood, wood-based products utilising local logs as raw material.
No new license will be issued.

DBSA production. Toxic chemicals affecting health of community and impacting the environment.
Subject to prior approval from Ministry of Health and relevant Ministries.

Production of toxic chemicals or utilisation of toxic agents.
Prohibited in accordance with an international treaty.

Manufacture of psychotropic substances.
Prohibited for these psychotropic substances :
- Brolamfetamine, Cathinone, DET, DMA, DMHP, DMT, DOET, Eticyclidine, (+)-Lysergide, MDMA, Mescaline, 4-Methylaminorex, MMDA, N-Ethyl-MDA, N-Hydroxy-MDA, Parahexyl, PMA, Psilocine, Psilotsin, Psilocybine, Rolicyclidine, STP, DOM, Tenamfetamine, Tenocyclidine, Tetrahydrocannabinol, TMA.

Subject to prior approval from Ministry of Health for these psychotropic substances :

- Amfetamine, Dexamfetamine, Fenetylline, Levamfetamine, Mecloqualone, Metamfetamine, Methaqualone, Methylphenidate, Phencyclidine, Phenmetrazine, Metamfetamine Racemate, Secobarbital, Amobarbital, Allobarbital, Alprazolam, Amfepramone, Barbitol, Benzfetamine, Bromasepam, Buprenorphine, Butalbital, Butobarbital, Cathine, Camazepam, Chlordiazepoxide, Clobazam, Clonazepam, Clorazepate, Clorazepam, Cloxazolam, Cyclobarbital, Delorazepam, Diazepam, Estazolam, Ethchlorvynol, Ethinamate, Etilamfetamine, Fencamfamine, Fenproporex, Fludiazepam, Flunitrazepam, Flurazepam, Gluthethimide, Halazepam, Haloxazolam, Ketazolam, Lefetamine, Loflazepate Ethyl, Loprazolam, Lorazepam, Lormetazepam, Mazindol, Medazepam, Mefenorex, Meprobamate, Methylphenobarbital, Methyprylon, Midazolam, Nimetazepam, Nitrazepam, Nordazepam, Oxazepam, Oxazolam, Pemoline, Pentazocine, Pentobarbital, Phendimetrazine, Phenobarbital, Phentertamine, Pinazepam, Pipradrol, Prazepam, Pyrovalerone, Secbutabarbital, Temazepam, Tetrazepam, Triazolam, Vinylbital.

Manufacture/processing of narcotic drugs.
Prohibited.

Manufacture of weapons and ammunitions.
National Defense Policy.

Manufacturing of firecrackers and fireworks.
Subject to control.

Manufacturing related to defense and security.
National Defense Policy.

Industries Open with Restrictions to Foreign Investors
Manufacture of cigarettes.
Only for export (100% export).

Alcohol.
Movie production.
Subject to prior approval from relevant Ministries.

Exploitation of gemstones.
Bricks made of clay (hollow, solid) and tiles.
Rice mill.
Manufacture of wood and stone carving.
Silk weaving.

Subject to local equity participation.

INDONESIA

Temporary Exclusion List

Industries Closed to Both National and Foreign Investors

Industries manufacturing communication devices :
- telephone connection boxes.
Business reserved for small-scale enterprises.

Sensitive List

Industries Closed to Both National and Foreign Investors

Saccharine.

Cyclamate.

Closed – Public health.

Saw mill.

Only in Papua using natural forest as raw material.

Plywood.

Only in Papua.

Clove cigarettes (with automatic machines).
Ratio of production manually and machinery.

Fire crackers and fireworks.
Manufacturing of ammonium nitrate for explosive purposes.
National security.

Food and drink:

- Industries preparing shredded meat, boiled and then fried, and jerked meat; industries preparing pickled/sweetened fruits, vegetables and eggs; industries preparing salted/pickled fish and other, marine biota; industries making bread, cookies, and the like; industries making brown/coconut palm sugar; industries making fermented bean paste used as condiment; industries making bean cake; industries making bean curd; industries making crisp, thin chip made of flour and peanut, shrimp or small fish/crispy chips of banana, potato, bean cake, etc.; industries making peanut snacks (fried peanuts without covering, salted peanuts, large white beans, onion beans); industries making chips made of flour flavored with fish or shrimp; industries making condiment of fermented fish or shrimp; industries making deep-fried, boiled, steamed cake; processing of palm, sugar palm and palmyra palm; honey bee industries.
Business reserved for small-scale enterprises.

Industries of various kinds of flour of grains,

cereals, legumes and tubers :

- rice flours of various kinds; flour made of legumes; and flour made of dried cassava.
On condition of partnership with small-scale enterprises.

Yarn-finishing industries :

- yarn having a tie motive based on *tenun ikat*; using manually operated instruments.

Textile and textile products :

- traditional weaving industries (non machine woven cloth); industries making hand-written batiks; knitting industries using hand operated instruments; and industries making rimless caps and headdresses.

Business reserved for small-scale enterprises.

Cloth printing and finishing industries :

- printing using hand operated instruments, except when it is integrated with the upstream industries.

On condition of partnership with small-scale enterprises.

Industries of lime and products made of lime :

- quick lime; lime for chewing with betel leaves; slaked lime; lime for agricultural purposes and chalk.

On condition of partnership with small-scale enterprises.

Industries making clay articles for household purposes

- unglazed household decorations; various kinds of unglazed vases; and unglazed household utensils.

Business reserved for small-scale enterprises.

Industries of clay articles for construction purposes :

- clay bricks; and unglazed clay roof tiles.

On condition of partnership with small-scale enterprises.

Industries making agricultural tools:

- mattocks; shovels; plows; harrows; pitchforks; crowbars; sickles; scrapes; *sarap/lempak/bawak* (reaping); small palm knives; hoes for weed removal; *emposan tikus* (sprayer for killing rats); manually operated sprayer; manually operated rice hullers; manually operated paddy and soy bean hullers; and manually operated looseners of corn grains.

Industries making cutting tools :

- short machetes; axes; large-bladed knives; and instruments for mincing onions/cassava/chips.

Plantation tools industry :

- knife to tap rubber; bowl to tap rubber; rubber freezing box; coffee peeler machines; and cashew nut peeler machine.

Industries making handcraft tools :

- trowels; wooden planes; planes; *Beugel-beugel* (traditional tools); *kasut pleste* (traditional tools for plaster); spatulas; clamps; handsaw; hammers (of a small type); chisels; and *pangut* (traditional cutter).

Industries for maintenance and repair

(workshops, including special workshops) :

- small workshops including roving small workshops, tyre repair, upholstery workshops, railway workshops, workshops for ships maintenance, air filling/air pumps, traditional car body repair and the like, without modern instruments.

Industries for maintenance and repair

(workshops, including special workshops) :

- repair of electrical devices for household purposes.

Business reserved for small-scale enterprises.

Industries making electrical devices and other components :

- various kinds of clamps; motor armature and track armature.

Professional, science, measure equipment and electronic controller industry:

- water meter box.

On condition of partnership with small-scale enterprises.

Industries of multivarious handicrafts :

- handicrafts using plants as raw materials; handicraft using animals as raw materials; imitation flowers and decorations; handicrafts from mollusks and the like; handicrafts made of precious stone and marble; and household equipment made of bamboo and rattan.

Business reserved for small-scale enterprises.

Raw rattan processing.

On condition of partnership with small-scale enterprises.

Traditional medicine product and medical instruments for non-medic.

Traditional Indonesian musical instruments.

Business reserved for small-scale enterprises.

Industries Open with Restriction to Foreign

Investors

Food and drink :

- milk processing industries/dairy product; fish flour industries (animal feed); tea processing industries; soy sauce industries; processing industries: pepper, gnetum gnemon, cinnamon, vanilla, cardamom, nutmeg and cloves; and granulated sugar industries.

Industries of rubber products for industrial purposes :

- rubber rolls.

Industries manufacturing agricultural machinery:

- threshers; reapers; hydrotillers; and corn removers.

Industries manufacturing fluid machinery :

- hand operated water pumps.

Bicycles-making industries :

- industries making bicycle equipment.

Industries making silver crafts.

Processing and canning of fruits.

Various palm essence industry :

- sago palm essence.

Rice milling and threshing.

Copra industry.

Silk yarn spinning industry.

Downstream industry of pepper.

On condition of partnership with small-scale enterprises.

Fish-smoking industries and the likes.

Wood carving industry.

Business reserved for small-scale enterprises.

LAO PDR

Temporary Exclusion List

Industries Closed Only to Foreign Investors

Manufacture of products of copper, silver and gold (jewellery).

Manufacture of Lao dolls.

Manufacture of blankets/mattress with cotton and kapok.

Manufacture of authentic Lao musical instruments.

Reserved for Lao PDR citizen.

Industries Open with Restrictions to Foreign

Investors

Manufacture of rice noodles products.

Subject to high ratio of local content (use of local

material) and/or export requirements.

Manufacture of beer.

Manufacture of soft drinks.

Subject to joint-venture with domestic investors and/or export 100%.

Manufacture of tobacco products.

Subject to high ratio of local content, local equity participation and/or export 100%.

Sensitive List

Industries Closed to Both National and Foreign

Investors

Manufacture of all types of weapons and ammunitions.

Prohibited for security reasons.

Manufacture/processing of narcotic drugs.

Manufacture of cultural items destructive of the national culture and tradition.

Prohibited.

Manufacture of chemical substances and

industrial waste hazardous to human life and the environment.

Prohibited for health and environment reason.

Industries Open with Restrictions to Foreign

Investors

Manufacture of psychotropic substances.

Subject to specific details provided by Ministry of Health.

Manufacture of wood and wood products.

The establishment of new wood processing factory is not permitted, except for utilising raw material from the reforestation of forest plantation.

Manufacture of chemicals and chemical products.

Not to be destructive to the environment and society.

Manufacture of pharmaceuticals.

Manufacture of alcohol of all types.

Manufacture of motor vehicles of all types.

Subject to local equity participation and/or export or high ratio of local content.

MALAYSIA

Sensitive List

Industries Closed for Both National and Foreign

Investors

Pineapple canning.

Palm oil milling.

Closed except for projects with source of supply from own plantation.

Palm oil refining.

Closed for Peninsular Malaysia. Open for projects in Sabah and Sarawak with source of supply from own plantations.

Sugar refining.

Closed.

Liquors and alcoholic beverages.

Closed for projects that do not export 100% of their products.

Tobacco processing and cigarettes.

Closed for projects that do not export more than 80% of their products.

Sawn timber, veneer and plywood.

Closed for Peninsular Malaysia and Sabah. Open for Sarawak.

Wood-based products utilising local logs as raw material.

Closed for Peninsular Malaysia. Open for Sabah and Sarawak.

Petroleum refining.

Closed for projects that do not export 100% of their products.

Ordinary Portland cement.

Closed for non-integrated projects i.e., projects which do not produce their own clinker for grinding into ordinary Portland cement.

Hot rolled steel round bars and wire rods.

Closed.

Steel billets/blooms.

Closed for projects that have capacity of below 350,000 tonnes.

Assembly of motorcycles, passenger cars and commercial vehicles.

Closed.

Industries Open with Restrictions to Foreign and National Investors

Fabrics and apparel of batik.

Ordinary Portland Cement (Integrated Projects).

Maximum foreign equity ownership allowed is 30%.

Industries Open with Restrictions to Both Foreign and National Investors

Explosives, pyrotechnic products, propellant powders, detonating or safety fuses and the like. Weapons and ammunition.

Prior approval is required from Ministry of Home Affairs.

MYAMMAR

Temporary Exclusion List

Industries Closed for Both National and Foreign Investors

Manufacturing of pulp of all kinds.
Value-added product policy.
Manufacture of paper is required.

Industries Open with Restrictions to Foreign Investors

Production and marketing of basic construction materials, furniture, parquet, etc. using teak extracted and sold by the State-owned economic organization.
Only for export of high value-added wood-based products.

Sensitive List

Industries Closed for Both National and Foreign Investors

Distilling, blending, rectifying, bottling, and marketing of all kinds of spirits, beverages or non-beverages.

Manufacture of wines.

Manufacture of malt and malt liquors, beer and other brewery products.

Manufacture of soft beverages, aerated and non-aerated products.

Manufacture of cigarettes.

Manufacture of monosodium glutamate.

Manufacture of corrugated galvanized iron sheets.

No new permit to be issued.

Manufacture of refined petroleum products.
Reserved for the State sector.

Manufacture of weapons and ammunition.
National Defense Policy.

Industries Closed Only to Foreign Investors
Sawmilling and planning of wood.
National policy on forestry.

Industries Open with Restrictions to Foreign Investors

Manufacture of veneer sheets, manufacture of plywood, laminboard, particle board and other panels and boards.
National policy on forestry.

Manufacture of bakery products.
Export requirement is compulsory.

Manufacture of pulp, paper and paperboard.
Integrated project is compulsory.

Manufacture of pharmaceutical drugs.
Well-known firms are to be considered.

PHILIPPINES

Sensitive List

Industries Open with Restrictions to Foreign Investors

Domestic market enterprises with paid-in equity capital of less than US\$200,000.*
Foreign equity is restricted to maximum 40%.

Domestic market enterprises which involve advanced technology or employ at least fifty (50) direct employees with paid-up capital of less than US\$100,000.*
Foreign equity can be more than 40% if firm exports at least 60% of total production output.

Industries Closed Only to Foreign Investors
Cooperatives*
No foreign equity allowed.

* No ISIC Code since this cuts across all sectors

SINGAPORE

Sensitive List

Industries Closed to Both National and Foreign Investors

Chewing gum, bubble gum, dental chewing gum or any like substance.
Production prohibited for safety and social reasons.

Firecrackers.
Match sticks.
Production prohibited for safety reasons.

Industries Open with Restrictions to Foreign Investors

Publishing and printing of newspapers.
Foreign equity is subject to approval by relevant Ministry.

Beer and Stout
Water conservation.

Reproduction of recorded media (e.g. CD, CD-ROM, VCD, DVD-ROM).
Intellectual Property Rights enforcement.

Pig iron and sponge iron.
Rolled steel products.
Steel ingots, billets, blooms and slabs.
Limited local steel scrap.

THAILAND

Sensitive List

Industries Closed to Both National and Foreign Investors

Manufacture of sugar from sugarcane.
Subject to Cabinet's decision.

Industries Open with Restrictions to Foreign Investors

Manufacture of carved wood.
Manufacture of Thai silk threads, Thai silk weaving or Thai silk pattern printing.
Manufacture of Thai musical instruments.
Manufacture of goldware, silverware, bronzeware or lacquerware.
Manufacture of crockery of Thai arts and culture.
Wood fabrication for production of furniture and utensils.

Foreign equity participation is restricted to 50% of registered capital.

Foreign equity participation of 50% or more of registered capital can be made, subject to the following:

- shall obtain permission from Minister of Commerce, with approval of Cabinet, and shall also fulfill following requirements:
 - shall have Thai nationals, or juristic persons that are not foreigners under this Act, held not less than 40% of registered capital. However, Minister of Commerce, with approval of Cabinet, may reduce said requirement to not less than 25 percent; and
 - shall have Thai nationals held at least two-fifth of total directors.

Or

- shall receive promotion under Investment Promotion law, or shall obtain permission under law governing Industrial Estate Authority of Thailand or other related laws.

Shall have minimum capital invested at commencement of business not less than that prescribed by Ministry of Commerce's regulations, which in any case not less than 3 million Baht. Shall apply for license or certificate from Department of Commerce Registration. Shall comply with other conditions prescribed in Foreign Business Act B.E. 2542 (1999) and other related laws.

Manufacture of plywood, veneer board, chipboard or hardboard.
Manufacture of lime.

Rice milling.

Foreign equity participation is restricted to not more than 50% registered capital.
Foreign equity participation of 50% or more of

registered capital can be made, subject to the following:

- shall obtain permission from Director General of Department of Commercial Registration with approval of Foreign Business Committee.
- shall receive promotion under Investment Promotion law, or shall obtain permission under law governing Industrial Estate Authority of Thailand or other related laws.

Shall have minimum capital invested at commencement of business not less than that prescribed by Ministry of Commerce's regulations, which in any case not less than 3 million Baht. Shall apply for license or certificate from Department of Commerce Registration. Shall comply with other conditions prescribed in Foreign Business Act B.E. 2542 (1999) and other related laws.

Manufacture of cigarette.

Manufacture of playing cards.

Shall obtain permission from Director-General of Excise Department according to Tobacco Act. B.E. 2509, or Playing Card Act B.E. 2486.

VIET NAM

Temporary Exclusion List

Industries Open with Restrictions to Foreign Investors

Manufacture of cultivation, processing, reaping machines, insecticide pumps, spare parts for agricultural machines and engines.
Subject to export, technology and quality requirements.

Bicycle manufacture.

Electrical fans.

Manufacturing new types of products and subject to quality and export requirements.

Manufacture of electrical towers.
Export at least 50%.

Production of aluminium shaped bars.
Export at least 20%.

Single superphosphate fertiliser.
Production of H₂SO₄, H₃PO₄, LAS, industrial gasses, acetylene.
Common use paint.

Motorcycle and bicycle tyres and tubes; automotive tyres and tubes up to 450 mm.
Plastic water pipes used in agriculture, rubber gloves, labour sanitary boots.
Subject to export and quality requirements.

Consumer plastics.
Detergent, shampoo, soaps, washing liquid.
Zn, Mn batteries (R₁, R₁₄, R₂₀).
Subject to export requirements.

Paper production.
In conjunction with development of local raw material resources. Common types of paper such as printing paper, writing paper, photocopy paper are subject to at least 80% export requirement.

Fruit juice.
Subject to utilisation of local raw materials and export requirements.

Electro-mechanical and refrigeration equipment.
Household electrical appliances.
Subject to technology and export requirements.

Processing of aqua-products, canned sea foods.
Joint-Venture form, subject to material and technology requirements and export at least 80%.

Assembly of marine engines.
Subject to technology requirement.

Production and processing of wood.
Dairy processing.
In conjunction with development of local raw material resources.

Cane sugar production.
Vegetables oil production and processing.
In conjunction with development of local raw material resources and subject to export requirement.

Tanning.
In conjunction with development of local raw material resources, and subject to environmental processing requirement.

Sensitive List
Industries Closed to Both National and Foreign Investments
Production of firecrackers including fireworks.
Export 100%.

Industries Closed Only to Foreign Investors
Fishing.
Foreign investment shall not be licensed.

Beer and soft drinks.
Tobacco production.
Exploitation of gemstones.
Vertical shaft cement production and baked earth bricks and tiles.

Clay bricks.
Under 10,000 DWT cargo ships under 800 TEU container ships; lighters and under 500 seats passenger ships.
D6-D32mm construction steelrods, and D15-D114 mm seam steel pipe, zinc galvanized and colour sheets.
Production of NPK fertilizer.
Construction glass.
Fluorescent tubes and bulbs.
Fishing net production.
Lubrication oil, grease.
No new license will be issued.
Alcohol.
Subject to brand, quality and export requirements.

Automobile assembly and manufacture.
Subject to local content requirement and planning of the Government.

Motorcycle assembly and manufacture.
Subject to local content requirement and planning of the Government and export at least 80%.

Assembly of consumer electronic products.
Subject to local content requirement.

Manufacture of TV sets and tubes.
Subject to local content requirement and export at least 80%.

Sanitary ceramics, porcelain and tiles.
Export 100% and subject to technology requirement.

Cement production.
Ready mixed concrete, stone crushing.
Industrial explosives and devices.
Exploitation, processing of rare and precious material, raw material; exploitation of clay for production of construction material; exploitation, exportation of high-quality sand for production of construction and technical glasses.
Subject to planning of the Government.

Agriculture, Fishery and Mining Sectors

BRUNEI DARUSSALAM
Temporary Exclusion List
Industries Open with Restrictions to Foreign Investors
Agriculture
Growing of cereals and other crops n.e.c, vegetables, horticulture specialties and nursery products, fruits, nuts, beverage and spice crops.
Hunting, trapping and game propagation including related services activities.

Farming of cattle, sheep, goats, horses, asses, mules and hinnies, dairy farming.
Growing of crops, combined with farming of animals (mixed farming)
Agriculture and animal husbandry services activities, except veterinary activities.

Forestry
Forest plantations and nurseries.
30% local participation – for access to government facilities and sales to domestic market.

Sensitive List
Industries Open with Restrictions to Foreign Investors
Agriculture
Other animal farming; production of animal products n.e.c.
30% local participation is required for access to Government facilities and sales to domestic market.

Fishery
Offshore capture of fisheries (purse-seines and long lines).
Aquaculture.
30% local participant is required.

Mining and Quarrying
Extraction of crude petroleum and natural gas. Crude petroleum and natural gas are important natural resources and the backbone of the country's economy. Although foreign investors are allowed to invest in petroleum mining activities, they cannot be certain that their participation interest in their project will be 100%. His Majesty's Government has the right to acquire participation upon declaration of commerciality of the field. Under the production sharing contract (PSC), His Majesty's Government through its Holding Company will automatically have interest in the petroleum activities.

Silica mining.
Extraction of ground water.
Quarrying of stone.
30% local participation is required for utilising government facilities and domestic market access.

CAMBODIA
Sensitive List
Industries Closed to Both National and Foreign Investors
Agronomy
Estate crops :
- medicinal/traditional herbs; and
- plantation of the above.
Business reserved for daily need of local farmers.

Livestock
- native chicken; native cattle and buffalo; and native duck.
Business reserved for national small-scale enterprises.

Fishery
- fishing (fresh water); catching of fingerling, caplo capio, giant fish, crocodile, probatus and jullieni fish.
Endangered species.

Forestry
- not applicable.
Depending on rule, law and regulation of Cambodia forest policy.

Mining
- radioactive minerals (uranium etc).
National security.

Industries Closed Only to Foreign Investors
Agronomy
- genetic resources (bio-diversity).
Environmental protection.

Fishery
- catching of fresh water fish.
Reserved for small local enterprises.

Forestry
- not applicable.
On condition of partnership with local partner.

Mining
- small scale mining.
Reserved for local people.

Industries Open with Restriction to Foreign Investors
Agronomy
All type of :
- food crops; fruit crops; industrial crops; and processing industries.
On condition of partnership with the local of farmers' association and conservation of sustainability of natural resources. (applicable to all).

Livestock
- chicken raising (broiler; layer); beef cattle raising; sheep raising; goat raising; pig raising; duck raising; dairy cattle raising; and horse raising.
On condition of partnership with small-scale enterprises

Fishery

- not applicable.
- Refer to Fishery Law.

Forestry

- forest products (finish products); zoology; forest park; and forest plantation for industry.
- Based on National Forest Policy.

Mining

All foreign investments should be carried out under contract of work.

INDONESIA**Sensitive List**

Industries Closed to Both National and Foreign Investors

Agriculture

- estate crops : medical herbs, except ginger; plantation of pepper, belinjo, cinnamon, candlenut, vanilla, kapulaga (amomum cardamomum), nutmeg, siwalan, sugar palm and leaf (lontar), clove, Pogostemon Catlin Benth, Uncaria gambir.

On condition of partnership with small-scale enterprises.

Livestock

- native chicken.
- Business reserved for national small-scale enterprises.

Fishing

Catching of marine ornamental fish, catching area < 12 miles.

Business reserved for national small-scale enterprises.

Hatchery

Aquaculture.

- freshwater fish hatchery.

Business reserved for national small-scale enterprises.

Forestry

- contractors of logging.
- Environmental protection.
- apiculture exploitation.
 - exploitation of sugar palm, sago, rattan, candlenut, tree, bamboo and cinnamon plant forest.
 - exploitation of swallow nests in the nature.
 - exploitation of tamarind estates by small holders (tamarind seeds collection and processing).
 - exploitation of charcoal producing plant forest.

- exploitation of tree sap producing plant forest.
- exploitation of atsiri oil producing plant forest (pine oil, lawang oil, tengkawang oil, cajuput oil, kenanga oil, fragrant root oil, and other).

Business reserved for national small-scale enterprises.

General Mining

- radioactive minerals (uranium, etc.).

National security.

- small-scale mining.

On condition of partnership with small-scale enterprises. All foreign investments should be carried out under contract of works. Conservation Forest Area is prohibited for all mining. Preserve Forest is prohibited for open cut mining.

Industries Closed Only to Foreign Investors**Agricultural**

Genetic resources (bio-diversity).

Environmental protection.

Aquaculture

Grow-out

- freshwater fish culture.

Business reserved for national small-scale enterprises.

Forestry

- utilisation of naturally growing forest.

Environmental protection.

- utilisation of forest based on HPH (forest exploitation right).
 - community forest utilisation right.
- Reserved for local people.
- genetic resources (bio-diversity).
- Environmental protection.

Industries Open with Restrictions to Foreign Investors**Agriculture**

- food crops: Cassava.

On condition of partnership with the local farmers located in production centre of food crop concerned.

Traditional herbal plantation.

- estate crops: oil palm; rubber; sugar; coconut; cocoa; coffee; tea; cashewnut; cotton; castor oil; ginger; fibre plants (jute; kenaf; rami; stevia; and rosella); areca-palm; banana of manila (Musa textilis); medical plants; fragrant root (akar wangi); palm; tamarind (asam jawa); indigo; brass; kaempferia galanga (kencur); almond; turmeric; coriander; benth (pogostemon catlin);

tobacco; fragrant grass (sereh wangi); sesame seed; and herb (panzolia zeylanica benn), (urang-arang).

On condition of special partnership programs and the need to have recommendation from the Ministry of Agriculture.

Aquaculture

Hatchery

- brackishwater shrimps hatchery.

On condition of partnership with national small-scale enterprises.

Grow-out

- aquaculture of eel, escargot and crocodile.

On condition of partnership with small-scale enterprises.

Forestry

- utilisation of Industrial Plantation

On condition of partnership with small-scale enterprises.

LAO PDR**Temporary Exclusion List**

Industries Open with Restrictions to Foreign Investors

Mining and agglomeration of hard coal. Mining and agglomeration of lignite. Extraction and agglomeration of peat. Extraction of crude petroleum and natural gas. Service activities incidental to oil and gas extraction excluding surveying.

Mining of iron ores. Mining of non-ferrous metal ores, except uranium and thorium ores. Mining of chemical and fertiliser minerals. Extraction of salt. Other mining and quarrying. Subject to agreement with the Government and processing.

Sensitive List

Industries Closed to Foreign Investors

Operation of hatcheries in the reservoirs. Reserved for Lao citizen.

Industries Open with Restrictions to Foreign Investors

Hunting, trapping and game propagation, including related service activities. Subject to specific approval and agreement with the Government.

Forestry

Logging and related activities.

Logging is closed for both national and foreign investors; the other activities are subject to specific approval and agreement with the Government.

Fishing and service activities incidental to fishing. Operation of fish hatcheries in the Mekong River and its tributaries. Subject to agreement with the Government and to follow the regulations of local authorities.

Production and processing of local and domestic fishes. Subject to specific approval and agreement with the Government.

Mining of uranium and thorium ores. Negotiation and agreement with the Government are needed (for security reason).

Quarrying of stone, sand and clay. Subject to agreement with the Government and processing.

MALAYSIA**Sensitive List**

Industries Closed to Foreign Investors

Extraction and harvesting of timber. This activity is generally closed to foreign investors in Peninsular Malaysia and Sabah. However, for Sarawak, local involvement and majority local control is required. Forest areas to be opened for such activities will be gradually reduced in the future to enable the resources to be managed sustainably.

Capture of fisheries. Foreign fishing companies are not allowed to fish in Malaysia's Exclusive Economic Zone (EEZ).

Industries Open with Restriction to Foreign Investors.

Oil and gas upstream industries. Project must be carried out on a joint-venture basis with a wholly-owned subsidiary of the national petroleum corporation (Petronas), whose equity in the joint-venture will range from 15% to 60% depending on the block/area. The terms and conditions of each block are negotiated on a case-by-case basis and the Production Sharing Contracts will adhere to rules and regulations stipulated by the Malaysian Government with regards to the award of contract etc.

MYANMAR**Temporary Exclusion List**

Industries Closed to Both National and Foreign Investors

Forestry

Extraction of hardwood and sale of the same.
National policy on forestry.

Mining

Exploration and extraction of pearls and export of the same.

Exploration and extraction of metal and export of the same.

Carrying out other quarrying industries and marketing of the same.

The Government may permit by notifications.

Energy

Exploration, extraction and sale of petroleum.

Exploration, extraction and sale of natural gas and production of the products of the same.

The Government may permit by notifications.

Power

Production, collection and distribution of electricity.

The Government may permit by notifications.

Industries Closed Only to Foreign Investors

Fishery

Fishing of marine fish, prawn and other aquatic organism.

The Government may permit by notifications.

Industries Open with Restrictions to Foreign Investors

Others

Railway transport service.

Air transport.

Courier activities other than national post activities.

Joint-venture with State organisation.

Banking and insurance services.

To be liberalised later.

PHILIPPINES

Sensitive List

Industries Closed Only to Foreign Investors

People's small-scale mining programme.

Mining activities which rely heavily on manual labour using simple implements and methods and do not use explosives or heavy mining equipment.

Maximum area of 20 hectares.

Investment not to exceed P10 million.

Ratio of labor cost to equipment utilisation cost is greater than or equal to 1.0 (based on 1 metric tonne of ore).

No foreign equity allowed.

Industries Open With Restrictions to Foreign

Investors

Forestry

Mining (other than small-scale mining).

Deep sea fishing.

Agriculture in public land.

Foreign equity is restricted to a maximum of 40%.

SINGAPORE

Sensitive List

Industries Closed to Both National and Foreign

Investors

Pig farming.

Quarrying.

No more licenses issued.

THAILAND

Temporary Exclusion List

Industries Open with Restrictions to Foreign

Investors

Fishery, specifically marine animal culture.

Logging from plantation.

Artificial propagated or plant breeding

Foreign equity participation is restricted to not more than 50% of registered capital.

Foreign equity participation of 50% of registered capital or more can be made, subject to following conditions:

- *shall obtain permission from Director-General of Department of Commercial Registration, with approval from Foreign Business Committee.*
- *shall receive promotion under Investment Promotion Law, or shall obtain permission under law governing Industrial Estate Authority of Thailand or other related laws.*

Shall have minimum capital invested at commencement of a business not less than that prescribed by Ministry of Commerce's regulations, which in any case not less than three million Baht.

Shall apply for license or certificate from Department of Commercial Registration.

Shall comply with other conditions prescribed in Foreign Business Act B.E. 2542 (1999) and other related laws.

(These lists shall be reviewed at least once every year).

Sensitive List

Industries Open with Restrictions to Foreign

Investors

Salt farming, including efflorescent salt production.

Rock salt mining.

Mining, including rock blasting or crushing.

Silkworm farming.

Foreign equity participation is restricted to not more than 50% of registered capital.

Foreign equity participation of 50% of registered capital or more can be made, subject to following conditions:

- *shall obtain permission from Minister of Commerce, with approval of Cabinet, and shall also fulfill following requirements:*
 - *shall have Thai nationals or juristic persons that are not foreigners under this Act, holding not less than 40% of registered capital. However, Minister of Commerce with approval of Cabinet, may reduce said requirement to not less than 25%;*
 - *shall have Thai nationals holding at least two-fifths of total directors; or*
 - *shall receive promotion under Investment Promotion Law, or must obtain permission under law governing Industrial Estate Authority of Thailand or other related laws.*

Shall have minimum capital invested at commencement of a business not less than that prescribed by Ministry of Commerce's regulations, which in any case not less than 3 million Baht. Shall apply for license or certificate from Department of Commercial Registration. Shall comply with other conditions prescribed in Foreign Business Act B.E. 2542 (1999) and other related laws. (These lists shall be reviewed at least once every year).

VIET NAM

Temporary Exclusion List

Industries Open with Restrictions to Foreign

Investors
Manufacture of cultivation processing, reaping machines, insecticide pumps, spare parts for agricultural machines and engines.

Subject to export, technology and quality requirement.

Paper production.

In conjunction with development of local raw material resources. Common types of paper such as printing paper, writing paper, photocopy paper are subject to at least 80% export requirements.

Fruit juice.

Subject to utilisation of local raw material and export requirements.

Refrigeration equipment.

Subject to technology and export requirements.

Processing of aqua-products; canned sea foods.
Join-venture form, subject to material, technology

requirements and export at least 80%.

Assembly of marine engines.

Subject to technology requirement.

Production and processing of wood.

Dairy processing.

In conjunction with development of local raw material resources.

Cane sugar production.

Vegetable production and processing.

In conjunction with development of local raw material resources and subject to export requirement.

Tanning.

In conjunction with development of local raw material resources and subject to environmental protection requirement.

Sensitive List

Industries Closed Only to Foreign Investors.

Fishing.

Foreign investment shall not be licensed.

Exploitation of gemstones.

Fishing-net production.

No new license will be issued.

Industries Open With Restrictions to Foreign

Investors

Exploitation, processing of rare and precious minerals, raw materials, exploitation of clay for production of exportation of high-quality sand for production of construction and technical glasses.

Subject to planning of the Government.

APPENDIX 7 : KEY ECONOMIC DATA – MALAYSIA

AREA			
(square kilometers)			
Malaysia	Peninsular Malaysia	Sarawak	Sabah
330,252	131,805	124,450	73,997 ¹

	2011	2010
Population (mil)	n.a	28.3
Citizens	n.a	26.0
Bumiputera	n.a	17.5
Chinese	n.a	6.4
Indians	n.a	1.9
Others	n.a	0.2
Non-citizens	n.a	2.3
Population Growth (%)	n.a	1.6
Labour Force (mil)	12.5	12.2
Unemployment Rate (%)	3.1	3.3
Employment by Sector (%)		
Services	60.6	59.1
Manufacturing	17.1	16.7
Agriculture	12.0	14.2
Construction	9.7	9.5
Mining & Quarrying	0.6	0.5
Consumer Price Index (%)		
Malaysia	3.2	1.7
Peninsular Malaysia	3.3	1.8
Sabah ¹	4.7	1.6
Sarawak	2.6	1.5
Industrial Production Index (2005=100)		
Overall	108.6	107.1
Mining	87.5	93.9
Manufacturing	117.4	112.2
Electricity	123.6	121.2
External Trade (RM bil)		
Export	694.5	638.8
Import	574.2	528.8
Total Trade	1,268.8	1,167.7
Trade Balance	120.3	110.0
Balance of Payment (RM bil) – (Net)		
Current Account	97.9	88.1
Goods	149.4	134.7
Services	-8.4	1.7
Income	-22.0	-26.5
Transfer	-21.1	-21.8
Capital	-0.2	-0.2
Financial Account	15.5	-19.8
Overall Balance	31.0	-0.8

	2011	2010
Gross Domestic Product (GDP)		
GDP in current prices (RM bil)	852.7	766.0
Agriculture	103.0	81.1
Mining & Quarrying	103.7	100.1
Manufacturing	220.7	200.0
Construction	26.9	24.8
Services	411.5	374.0
Less Undistributed FISIM	21.8	21.7
Plus Import Duties	8.7	7.6
Real GDP Growth Rate (%)	5.1	7.2
Agriculture	5.6	2.1
Mining & Quarrying	-5.7	0.2
Manufacturing	4.5	11.4
Construction	3.5	5.1
Services	6.8	6.8
International Reserves (RM bil)	423.4	328.6
(as at 31 Dec 2011)		
Reserves to GDP Ratio (%)	49.7	42.9
Reserves as Month of Retained Imports (as at 31 Dec 2010)	9.7	8.5
Total External Debt (RM bil)	257.2	227.1
Medium & Long Term	103.4	147.7
Short Term	103.9	79.4
Debt Service Ratio (%)	7.4	7.4
Banking Institutions (RM bil)		
(as at Dec 2011)		
Total Deposit	1,300.4	1,140.8
Total Loans	1,003.5	883.6
Commercial Banks Interest Rates (%)		
(Dec 2011)		
Saving Deposits	1.15	0.94
BLR	6.53	6.02
Gross National Savings (% of GNP)	34.6^p	34.1

Sources: Department of Statistics, Bank Negara Malaysia and Ministry of Finance.

¹ Including the Federal Territory of Labuan

^p Preliminary