



MINISTRY OF ECONOMY
DEPARTMENT OF STATISTICS MALAYSIA

MEDIA STATEMENT
STATISTICS ON FOREIGN AFFILIATES (INWARD FATS) IN MALAYSIA
AND STATISTICS ON MALAYSIAN AFFILIATES ABROAD
(OUTWARD FATS) 2021

Foreign affiliates in Malaysia contributed for 17.7 per cent to the Malaysia's economy, recorded a value added of RM274.3 billion in 2021

PUTRAJAYA, 22 September 2023 - Nearly 3,000 foreign affiliates were operating in Malaysia with a value added of RM274.3 billion in 2021, or 17.7 per cent of Malaysia's economy. In contrast, almost 2,300 Malaysian affiliates operating abroad, generating a turnover of RM334.1 billion in 2021. The Department of Statistics Malaysia (DOSM) reported today in its ***Statistics on Foreign Affiliates in Malaysia (Inward FATS) and Statistics on Malaysian Affiliates Abroad (Outward FATS) 2021***.

In a statement today, Chief Statistician Malaysia, Dato' Sri Dr. Mohd Uzir Mahidin said, "Foreign affiliates refer to enterprises with more than a 50 per cent equity owned by a single foreign investor. The objective of Inward and Outward FATS published by DOSM is to provide annual information on the main characteristics and economic indicators that determine the structure and activity of foreign-controlled affiliates located in Malaysia, and vice versa. Foreign affiliates in Malaysia increased marginally by 0.3 per cent from 2,979 affiliates in 2020. These foreign affiliates generated RM274.3 billion in value added, an increase of 13.8 per cent as against RM241.0 billion in the preceding year. Concurrently, the number of employees engaged with foreign affiliates also expanded by 2.9 per cent to record 884,843 persons as compared to 2020, echoed by the improved labour market in the country. In turn, the overall compensation of employees rose from RM48.7 billion to RM51.9 billion in 2021."

Elaborating further on the performance of Inward FATS by economic activities, “Manufacturing sector remained the main contributor with the highest share at 48.6 per cent of value added, amounting to RM133.3 billion in 2021. This sector employed 664,721 persons and paid out RM36.1 billion in compensation, particularly in Electrical, transport equipment & other manufacturing sub-sector. The second highest value added was recorded by the Mining & quarrying sector at RM69.0 billion or 25.2 per cent shares, surpassing the Services sector in 2021 (RM68.5 billion). Nevertheless, Services sector registered the second highest number of employees at 178,552 workers with a total compensation of employees at RM12.0 billion in 2021.”

Meanwhile, both exports and imports of foreign affiliates in Malaysia in 2021 expanded by 27.8 per cent and 21.1 per cent, respectively. Exports of Inward FATS contributed to 33.9 per cent of the trade of goods & services, while imports of Inward FATS accounted for 32.3 per cent. Investors from Asia region registered the highest number of foreign-controlled enterprises in Malaysia, made up 63.5 per cent of the total affiliates, especially from Singapore, Japan, and China.

The Chief Statistician also highlighted that in 2021, the performance of Malaysian-controlled affiliates abroad exhibited an upward momentum. Compared to a year ago, these affiliates posted a 4.2 per cent increase in turnover, reaching a record of RM334.1 billion. In terms of employment, these affiliates hired 412,295 persons as compared to 393,291 persons in 2020. The compensation of employees also rose by 1.7 per cent, amounting to RM24.0 billion as against RM23.6 billion in 2020.

In terms of turnover, the Services sector remained the dominant contributor in 2021, generating RM205.0 billion or 61.4 per cent. The second highest turnover was recorded by the Manufacturing sector at RM82.8 billion, constituting 24.8 per cent, followed by the Mining & quarrying sector at RM25.7 billion (7.7%).

Looking at the performance by country, the Chief Statistician stated that Malaysian affiliates located in Indonesia recorded the highest turnover at RM50.6 billion. Meanwhile, the second highest turnover was from the United Kingdom, which was valued at RM37.3 billion, followed by Singapore with a turnover of RM32.0 billion.

Notably, the Services sector played a pivotal role in generating the turnover of these top three countries.

The Department of Statistics Malaysia (DOSM) is conducting the Economic Census in 2023. DOSM greatly appreciates the cooperation of respondents in providing information and ensuring the success of this census. Please visit www.dosm.gov.my for more information.

DOSM has launched OpenDOSM NextGen as a medium that provides a catalogue of data and visualisation to facilitate users in analysing various data. OpenDOSM NextGen is an open source data sharing platform and accessible through <https://open.dosm.gov.my> portal.

The Government of Malaysia has declared National Statistics Day (MyStats Day) on October 20 each year. MyStats Day theme is “Statistics is the Essence of Life”.

Chart 1: Number of Foreign Affiliates in Malaysia, 2011-2021

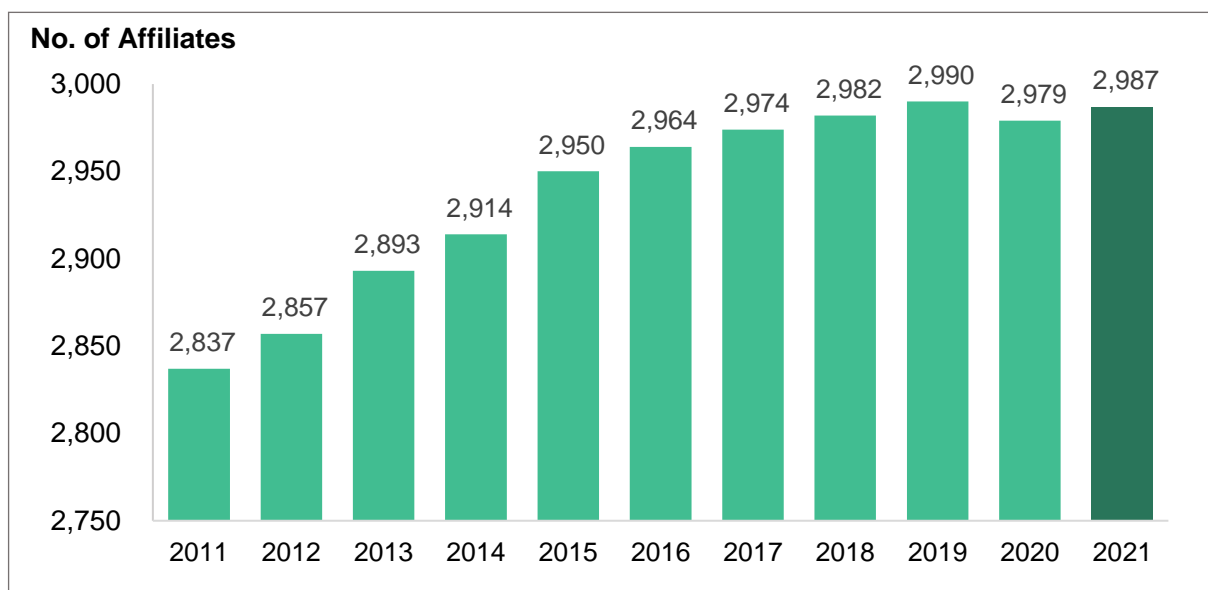


Chart 2: Value Added of Foreign Affiliates in Malaysia, 2011-2021

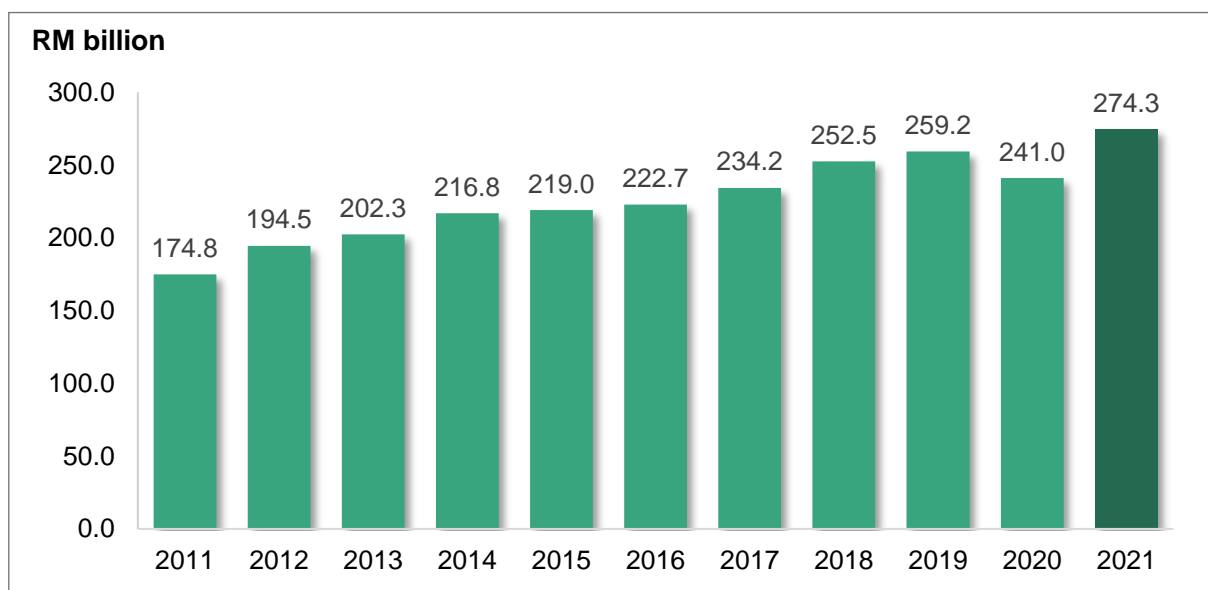


Chart 3: Number of Employees and Compensation of Employees of Foreign Affiliates in Malaysia, 2011-2021

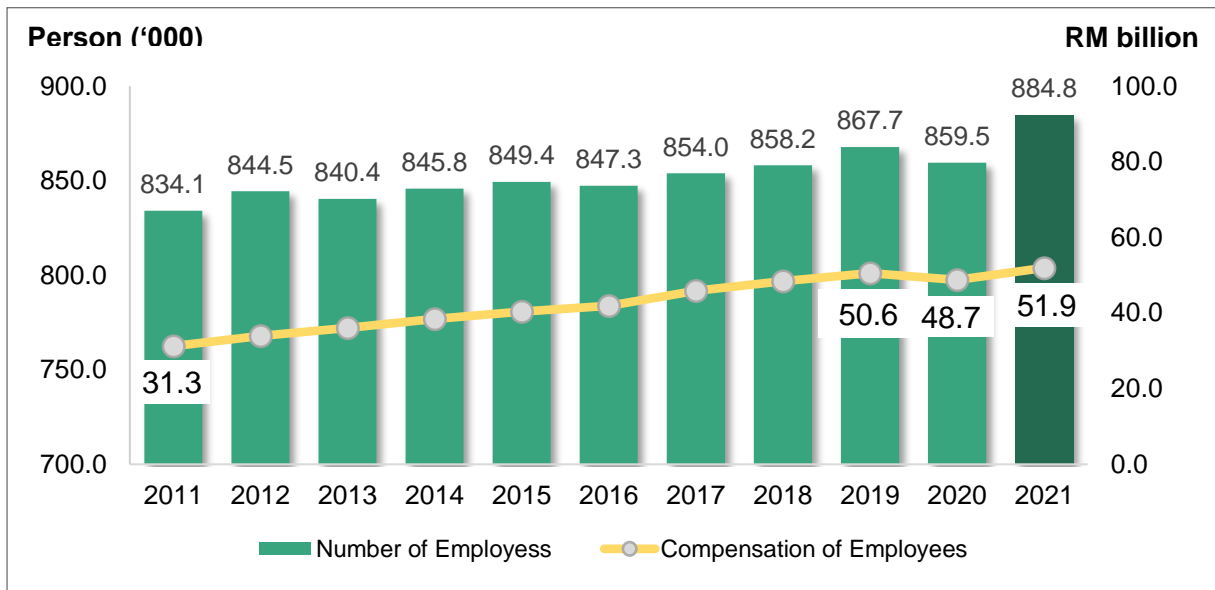


Chart 4: Number of Malaysian Affiliates Abroad, 2011-2021

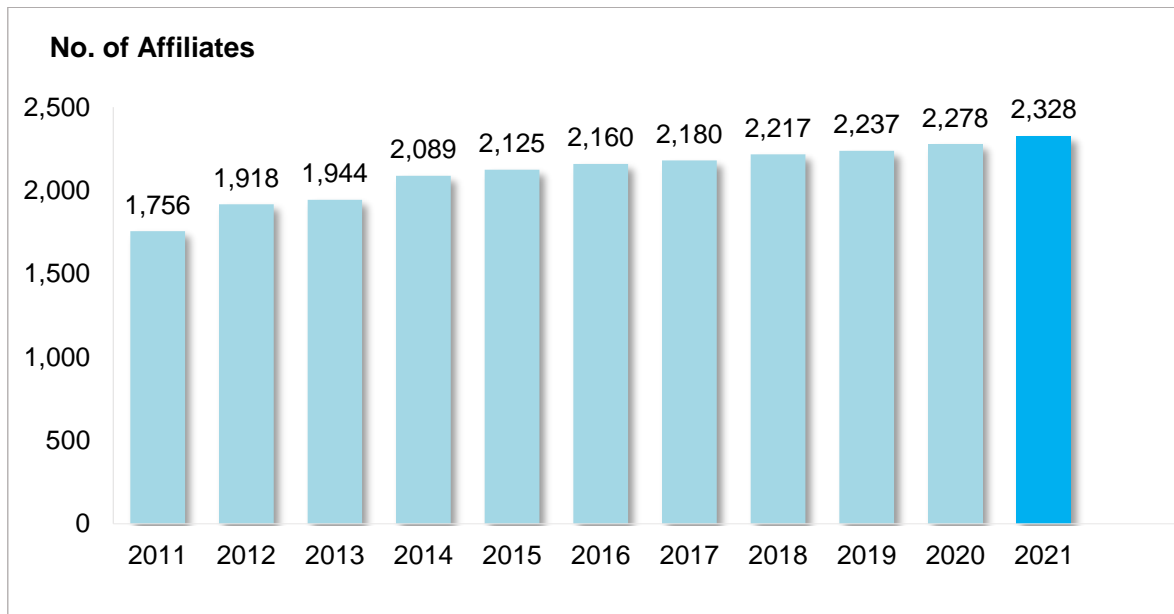


Chart 5: Turnover of Malaysian Affiliates Abroad, 2011-2021

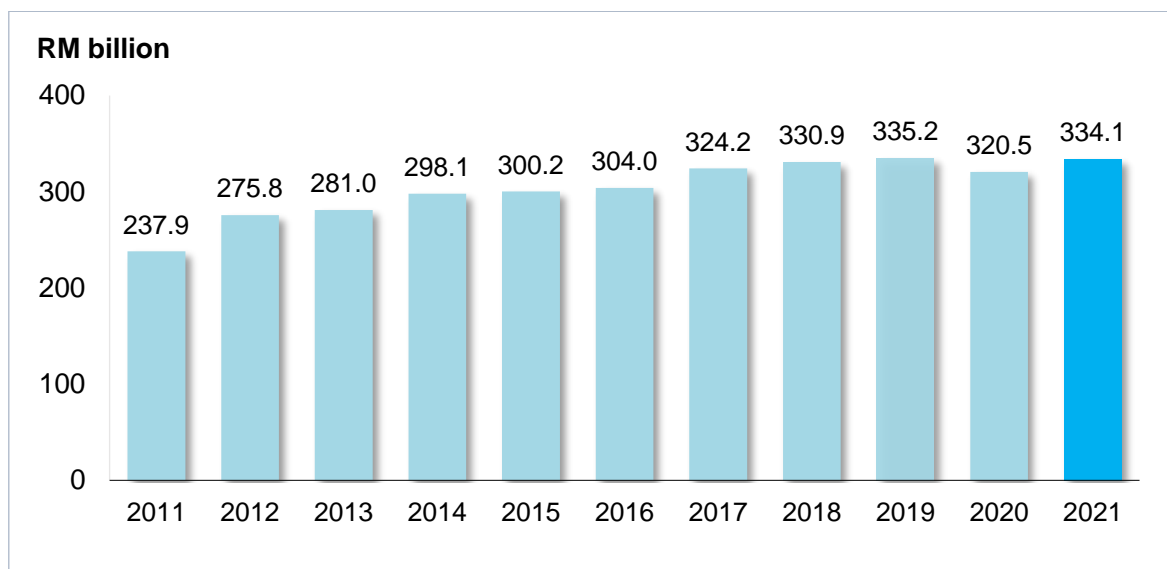
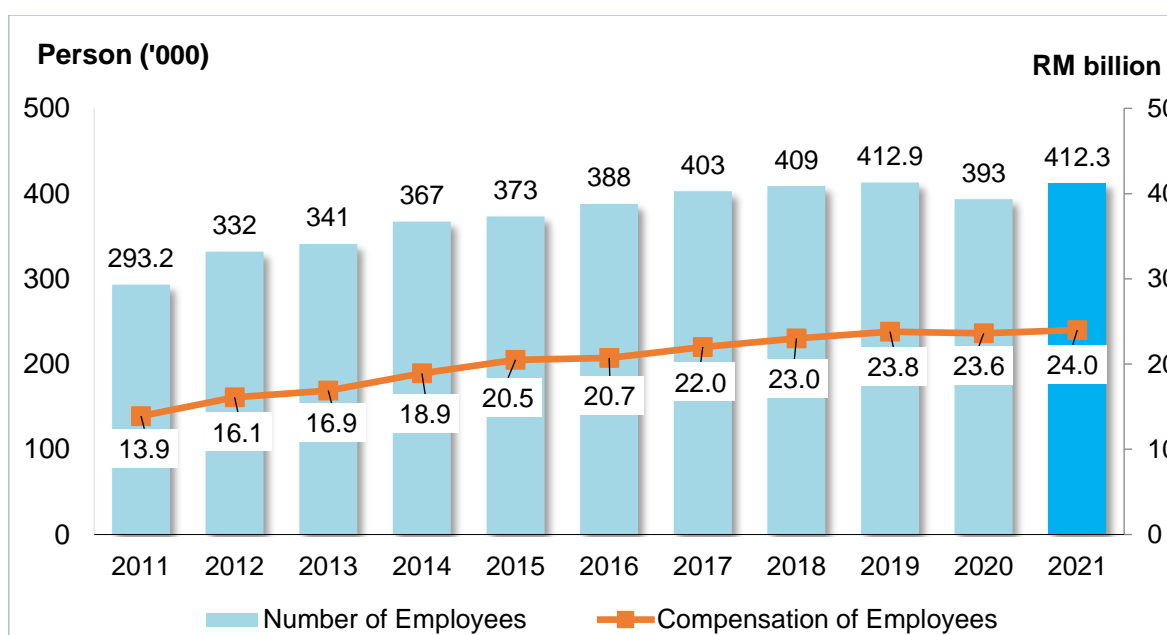


Chart 6: Number of Employees and Compensation of Employees of Malaysian Affiliates Abroad, 2011-2021



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