

Usage of Statistics in Investment Promotion



MyStats 2016
15 November 2016
Kuala Lumpur, Malaysia

Principal Agency for the
Promotion of Investments in
the Manufacturing and
Services sectors in Malaysia

ROLE OF MIDA

MAIN FUNCTIONS OF MIDA

1 Promotion

- Foreign Direct Investment
- Domestic Investment
- Business Matching through E-BizMatch
- Manufacturing Services

2 Evaluation

- Manufacturing Licence
- Tax Incentives
- Expatriate Posts
- Duty Exemption
- R&D Status

3 Planning

- Planning for Industrial Development
- Recommend Policies and Strategies on Industrial Promotion and Development
- Formulation of Strategies, Programmes and Initiatives for International Economic Cooperation

4 Follow Up/Monitoring

- Assist Companies in the Implementation and Operation of Projects
- Facilitate Exchange and Coordination among Institutions Engaged In or Connected with Industrial Development
- Advisory Services

Usage of Statistics

Internally Generated Data

External Data

Administrative
Data

Surveys

Government agencies,
private sector,
international
organizations'
publications

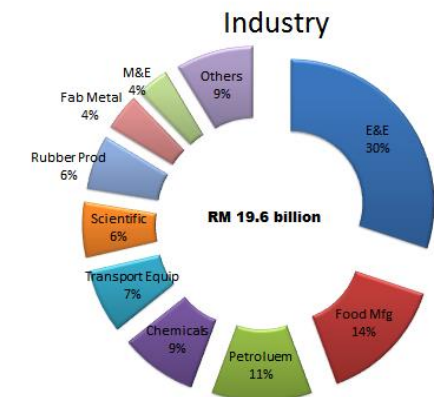
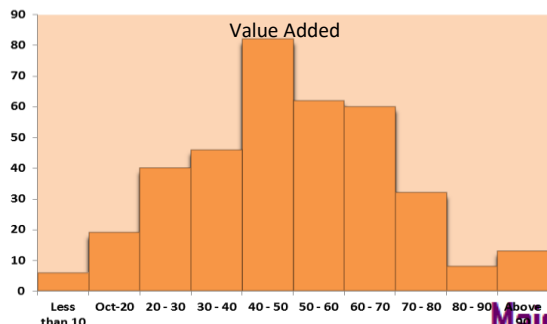
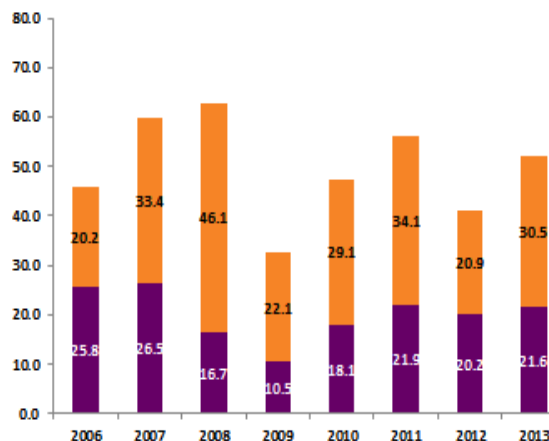
Internally Generated Statistics (1)

Administrative Data

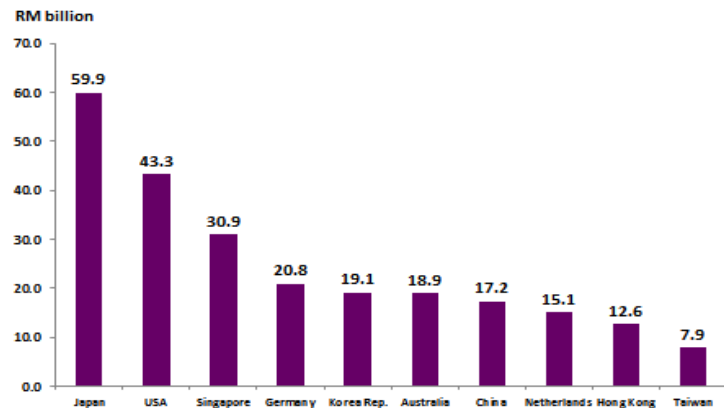
- ☐ Compile statistics relating to investment projects approved in the Manufacturing and Related Services Sectors
- ☐ Information compiled includes:
 - ☐ Value of investments proposed
 - ☐ Source of investment – domestic: foreign
 - ☐ information about jobs opportunities created
- ☐ Data compiled is a lead indicator of industrial performance and locational dispersal for policy makers in the planning and formulation of national policies

Domestic & Foreign Investments Approved

RM billion

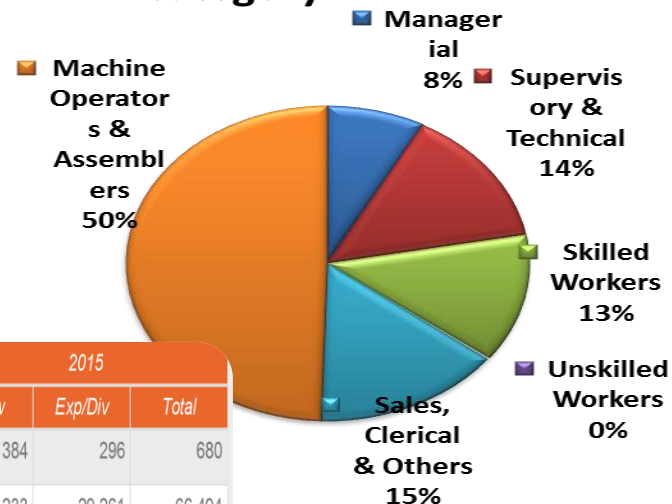


Major Sources of Foreign Investment



2006-June 2016

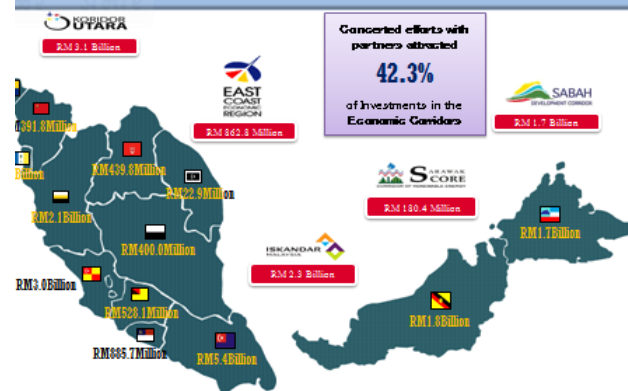
Employment by Category



New	Jan-June 2016			2015		
	Exp/Div	New	Total	New	Exp/Div	Total
Number	188	180	368	384	296	680
Potential Employment	10,040	10,100	20,140	37,233	29,261	66,494
Total Capital Investment (RM Million)	10,050	10,100	20,150	60,239.4	14,453.7	74,693.1
- Domestic	10,050	10,100	20,150	48,597.2	4,154.2	52,751.4
- Foreign	0	0	0	11,642.1	10,299.5	21,941.6

Examples of Statistics on Investments Approved

Manufacturing Projects by Economic Corridors



Internally Generated Statistics (2)

Coordination of Approved Investment Statistics

- ❑ Objective:
To facilitate the construction of a consolidated report on new private investments for all sectors of the economy.
- ❑ Cabinet decision on 20 Oct 2004 for MITI/MIDA to coordinate work with other ministries/agencies to extend coverage of investment data reporting.
- ❑ MIDA as coordinator will be responsible to consolidate the data obtained from the various Ministries/Agencies.
Ownership of data will continue to remain with the respective Ministries/Agencies.

Internally Generated Statistics

Coordination of Approved Investment Statistics

- ❑ Methodology Used:
 - ❑ The data compilation is based on the methodology used by MIDA which defines investment as equity, loans and retained earnings or its equivalent project cost.
 - ❑ The statistics are collected based on issuance of licences and approval.
 - ❑ The statistics covered investment commitments in new projects undertaken by new or existing establishments.
 - ❑ Apart from investment, the statistics covered the number of projects, employment and the apportionment of domestic and foreign contribution for the approved projects.

Coverage of Reporting

PRIMARY SECTOR

Agriculture

Mining

Plantations

MANUFACTURING

Manufacturing

SERVICES

Regional Establishment

Support Services

MSC Status

Real Estate

Transport

Energy

Telecommunications

Distributive Trade

Hotel & Tourism

Financial Services

Health Services

Education Service

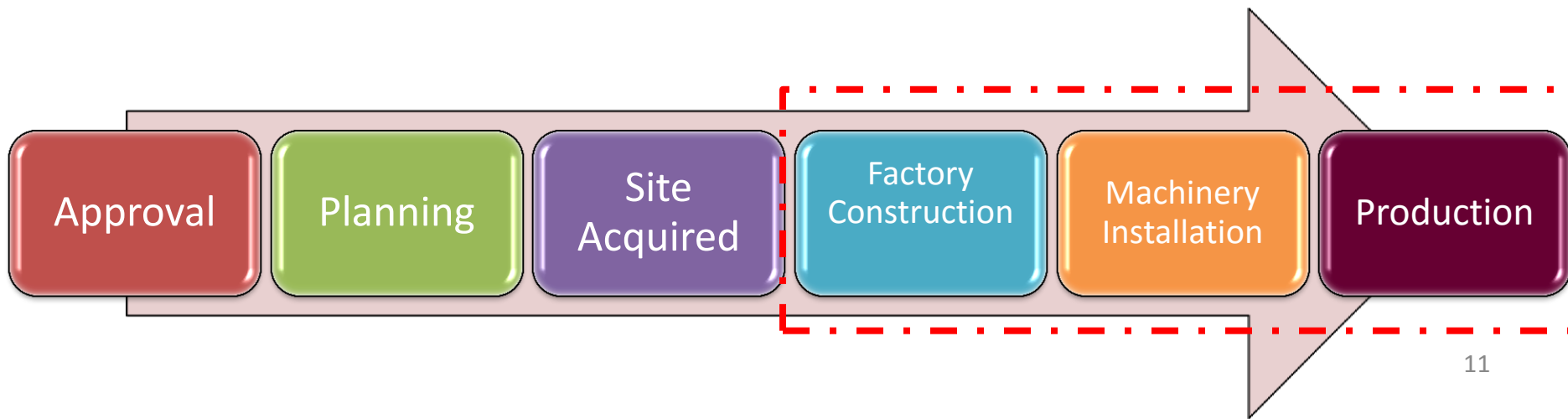
Internally Generated Statistics (3)

Surveys

- ☐ Undertake surveys to collect information on progress of implementation of projects approved
- ☐ Annual survey on companies in production

Progress of Implementation Survey

- ❑ MIDA conducts a **six-monthly survey** on **all projects** (manufacturing and services sectors under its purview) which were **approved Licence or Incentive** and which **had not started operation**.
- ❑ The objective of the survey is **to determine the status of implementation** of the projects.



Methodology:

- ❑ Surveys conducted at the end of June and December each year via a **mailed questionnaire**
- ❑ Projects are required to report on:



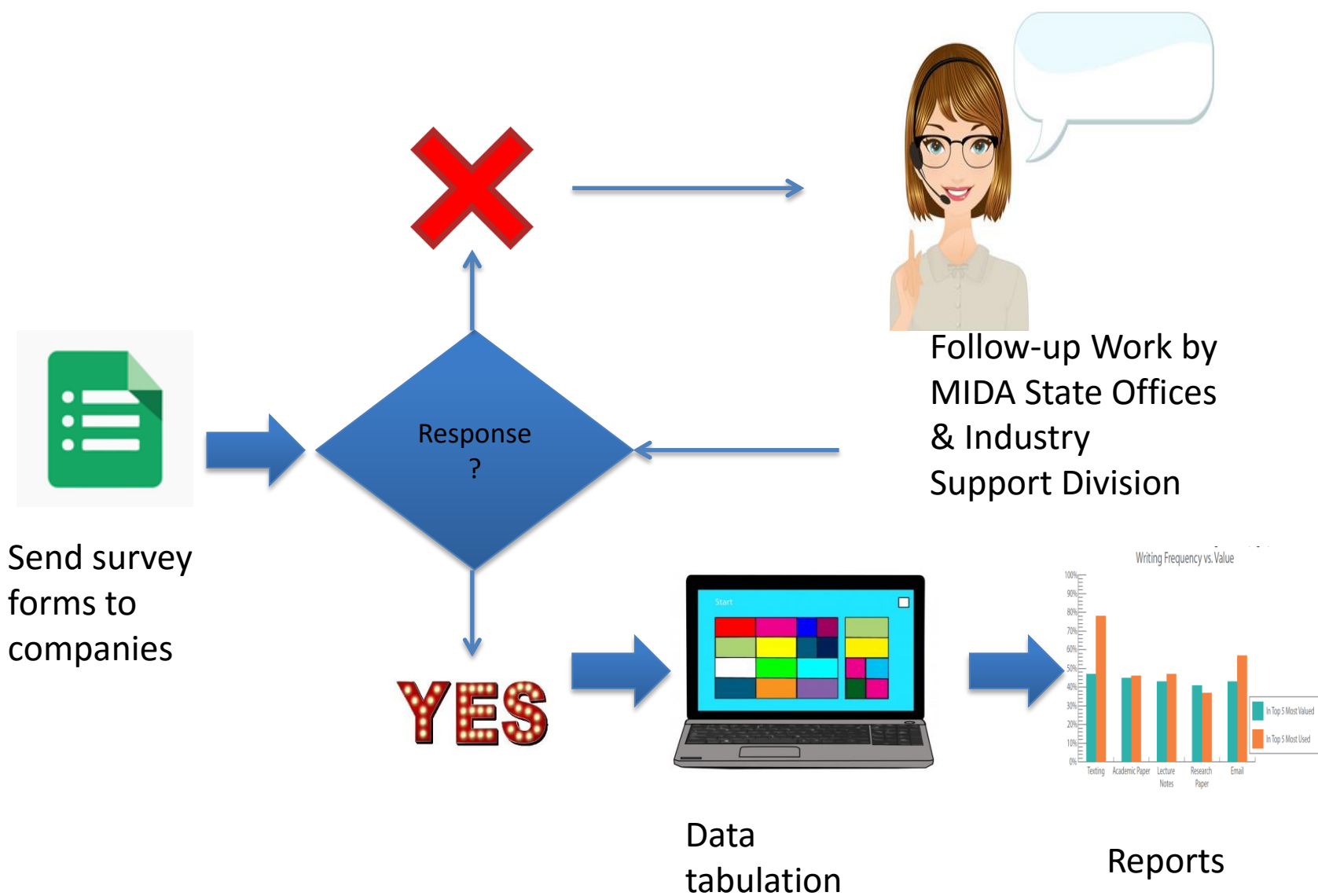
Current Status of implementation

Value of investment

Jobs Created

Problems Encountered during implementation

Survey Work Flow:



Approved & Implemented, 2010- 2015

Year of Approval	Number		Employment		Investment (RM Billion)	
	Approved	Implemented*	Approved	Implemented*	Approved	Implemented*
2010	910	731 (80.4%)	97,319	75,865 (78.0%)	47.2	32.8 (69.5%)
2011	846	654 (77.3%)	100,533	80,197 (79.8%)	56.1	42.1 (75.0%)
2012	804	620 (77.1%)	106,634	57,864 (76.8%)	44.0	27.9 (67.9%)
2013	787	636 (80.8%)	92,988	76,336 (82.1%)	52.1	34.2 (65.7%)
2014	811	645 (79.5%)	78,343	56,066 (71.6%)	71.9	34.7 (48.2%)
2015	680	504 (74.1%)	66,494	38,654 (58.1%)	74.37	52.7 (70.6%)
2010-2015	4,838	3,791 (78.4%)	512,308	385,980 (75.3%)	343.0	224.4 (65.4%)

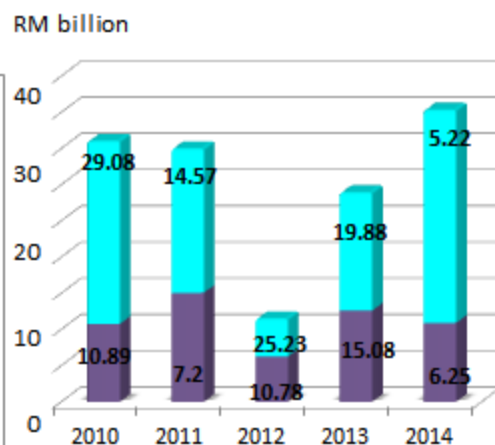
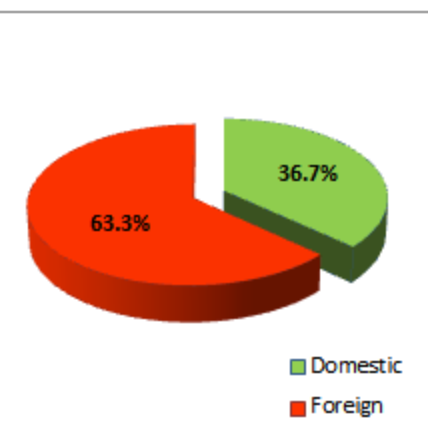
Example of Report

* In Production or Machinery Installation / Factory Construction

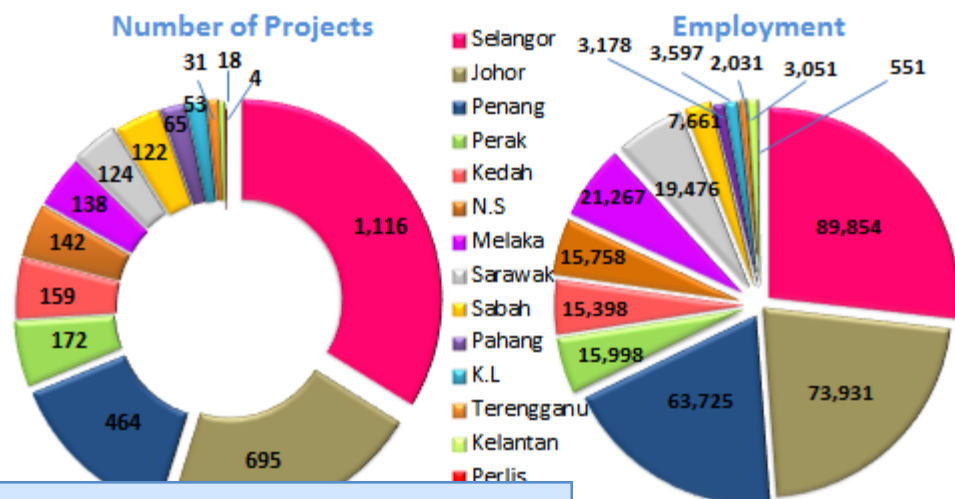
Domestic & Foreign Investment (2010-2014)

Investments by State (2010-2014)

Total Investment:
RM 172.9 billion



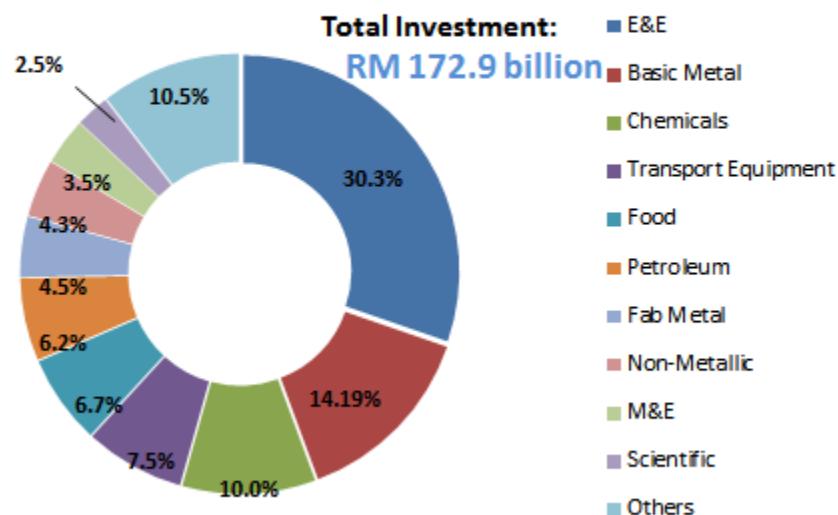
17 Projects Approved and Implemented (2010-2014)



Example of Reports

Investments by Industry

Reported Problems by Industry (2010-2014)



Total Investment:
RM 172.9 billion

Industry	Electricity	Water	Phone	Internet	Land	Finance	Technical	Marketing	Port Facilities	Transport For Workers	Transport For Goods	Visa	Labour	Raw Materials	Others	TOTAL
Food	5	4	3	3	3	9	10	7	6	1	1	6	11	7	5	81
Textiles							2	3		1		2	7			15
Wood	3		1	1	2	3	4	3	2	1	2	2	7	7	2	40
Furniture	1			3	2	5	2	2			1	2	18	1	3	40
Paper	1	1			1	2	2	1	1				4	3	1	17
Chemical	4	3	1	3	3	10	8	6	4			1	9	8	2	82
Petroleum		2		1	1	3	2						1	1		12
Rubber	1				1	1		1				1	3		1	9
Plastic	3	1		7	2	4	5	4	1	1		1	11	1	1	42
Non-Metallic		2	5	7		5	4	7		1	2	6	8	3		50
Basic Metal	5	2	3	7		6	4	1	6	1	3	2	8	3	1	52
Fabricated Metal	1	1		4		4	5	3	1		1	2	11	3	1	37
M&E	4	2	2	9	1	11	14	12	4		3	8	12	14	5	101
E&E	5	2	2	8	2	12	15	5	1			3	24	13	2	94
Transport	7	3	7	7	9	10	11	8				5	19	9	8	108
Scientific				1		1	1	1	1	3		1	5	6	1	21
Others			1	1			1	1					1	1		6
TOTAL	40	28	25	62	27	38	90	62	27	10	12	40	150	80	33	732

Annual Performance Report (APR)

- ❑ Once a project reports that it has started production, it would be taken out of the implementation survey and elevated to be included in the database of companies in production where yearly performance is monitored through a survey. (on-line survey)
- ❑ Data collected include value of investment (equity, loan & other sources), value of fixed assets, number of jobs by skills category, value of production and exports level.

Example of On-line Survey Form

FINANCIAL

Latest financial position as at :

31/12/2015

format: dd/mm/yyyy

FINANCING STRUCTURE

1. Shareholders' Fund	RM	0.00
1.1 Paid-up Capital	RM	0.00
1.1.1 Domestic Equity	RM	0.00
(i) Bumiputera	RM	0.00
(ii) Non-Bumiputera	RM	0.00
1.1.2 Foreign Equity	RM	0.00
1.2 Reserves	RM	0.00
1.3 Retained Earnings	RM	0.00
2. Total Loans Outstanding	RM	0.00
3. Other Financing Sources	RM	0.00

ASSET

4. Total Fixed Assets (Net book value)	RM	0.00
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Example of On-line Survey Form

EMPLOYMENT / SALARY & WAGES

FULL TIME EMPLOYMENT

1. Category of Employment / Occupational Skills	Total Number of Persons Employed		< 2,000	2,000 -
	Malaysian	Foreign		
1.1 Managerial (e.g. CEO, Director, Manager & etc)	0	0	0	
1.2 Professionals (Engineers)	0	0	0	
1.3 Professionals & Executives (Non-Engineers)	0	0	0	
1.4 Supervisors, Technicians & Craft / Skilled Workers	0	0	0	
1.4.1 Plant Maintenance	0	0	0	
1.4.2 Tools & Die Makers	0	0	0	
1.4.3 Machinist	0	0	0	
1.4.4 IT Personnel	0	0	0	
1.4.5 Quality Controller	0	0	0	
1.4.6 Electrician / Chargeman	0	0	0	

External Statistics

Statistics on Investment

Frequently uses statistics of FDI and private investment published by DOSM/Central Bank and international organizations.

Issues relating to coverage, details and timeliness of data by different organizations

Wish List:

FDI into Malaysia Statistics- cross-tabulation data by sector & country



External Statistics

Industrial Statistics

Issue:

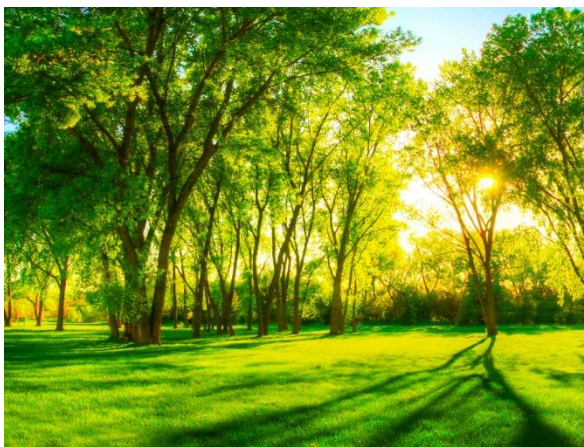
Some survey data are published 12-18 months after the reference period – (promotion agencies need more up-to-date information).

Some services sectors' data are published at non-regular intervals.

Wish List:

Sectorial data by ownership





Thank you

MALAYSIAN
INVESTMENT
DEVELOPMENT
AUTHORITY

