MIDA- SEMI WEBINAR
BUSINESS UNUSUAL: JOURNEY TO RECOVER ON E&E INDUSTRY

Keynote Address by:
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CEO of MIDA
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TOTAL APPROVED INVESTMENTS IN THE MANUFACTURING SECTOR, 2019

**USD**
- USD 13.2 billion (65.2%)

**DDI**
- USD 7.0 billion (34.8%)

USD 20.2 billion investment
- 988 projects
- 78,606 new jobs

APPROVED INVESTMENTS IN THE MANUFACTURING SECTOR BY INDUSTRY

- Electrical & Electronics: USD 6.3 billion
- Paper, Printing & Publishing: USD 2.6 billion
- Transport Technology: USD 1.9 billion
- Non-Metallic Mineral Products: USD 1.7 billion
- Chemicals & Chemical Products: USD 1.2 billion
- Rubber Products: USD 1.0 billion
- Machinery & Equipment: USD 0.9 billion
- Food Manufacturing: USD 0.7 billion
- Petroleum Products (Inc. Petrochemicals): USD 0.6 billion
- Scientific & Measuring Equipment: USD 0.6 billion
- Plastic Products: USD 0.4 billion
- Fabricated Metal Products: USD 0.1 billion
- Others (wood, basic metal, natural gas, textiles, furniture, miscellaneous): USD 0.0 billion

Top 5 Industries contributed 68.0% of total approved investments in the manufacturing sector

**FDI and DDI** for the following industries increased more than 100% from 2018:

- **FDI:**

- **DDI:**
IMPACT ON E&E INDUSTRY

Semiconductor market to decline

Overall, 2020 global semiconductor revenue has been reduced from the previous quarter’s forecast by $55 billion, to $415.4 billion (see Table 1). 2020 total market growth has been reduced from 12.5% to a decline of 0.9%, with nonmemory expected to decline 6.1%, while memory is forecast to grow 13.9%.

Table 1

Worldwide Semiconductor Revenue Forecast (Billions of U.S. Dollars)

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<tr>
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<th>2019</th>
<th>2020</th>
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<tr>
<td>Revenue ($B)</td>
<td>419.1</td>
<td>415.4</td>
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<td>Growth (%)</td>
<td>-12.0</td>
<td>-0.9</td>
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Source: Gartner (April 2020)

Malaysian Government decided to impose the Movement Control Order (MCO) from 18 March 2020 to prevent the virus from spreading (flattening the curve)
The Government rolled out a Stimulus Package valued at USD58 billion (RM260 billion), including an RM100 billion allocation for small and medium enterprises.

Some measures within the stimulus package that are relevant to companies:

- **Employer Advisory Services program by Employees Provident Fund (EPF)**

- **Monthly wage subsidy**

- **A reduction of 25 per cent for the levy on foreign workers**
“The PRIHATIN Package will continue to have a positive impact on the people, business and our economy.”

Tengku Dato’ Sri Zafrul
Minister of Finance
Currently there are two major policy documents being drawn-up by the government:

- Short Term Economic Recovery Plan (RESTART) by the MOF for the next 12 months
- Mid & Long Term Measures by EPU

**MIDA proposals to MOF:**

- Retain existing investments
- Revive Domestic Investments
- Attract new investments and encourage reinvestments by existing companies
- Attract investments in selected industries that are classified as strategic in developing the entire local ecosystem
- Improve the approval mechanism of investment projects
"The fact is that the pandemic has jolted us to the reality of how crucial and pervasive digitalisation is and why we need it more than ever to future-proof our businesses,”

Senior Minister of MITI
Datuk Seri Mohd Azmin Ali
Understanding the Lighthouse Model

- The Lighthouse Project consists of industry players that have taken 4IR/Ind4.0/Smart Manufacturing technology from pilot to integration at scale, thus achieving significant financial and operational benefits.

- The term “lighthouse” denotes that these factories can act as beacons to guide the many thousands of others around the world that are still looking to apply technologies like artificial intelligence, additive manufacturing, and advanced analytics as well as overcome challenges in upgrading existing production systems.
Malaysia is well-positioned to weather the storm and emerge stronger from this pandemic. Our country is resilient despite multiple changes faced by the global economy, due to its diversified economic structure.
Talk to us now...

TODAY ONLY exclusive consultation platform

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ROOM 3
ROOM 4
ROOM 5
ROOM 6
ROOM 7
ROOM 8

Starting 4.30 PM
Thank You

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