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ECONOMIC REPORT 2020

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The main sources used in this Economic Report have been quoted primarily from Central Bank of Malaysia (Bank Negara Malaysia) and Department of Statistics, Malaysia, unless otherwise stated.

Exchange rate obtained from the average rate of the year, according to the Central Bank of Malaysia.

Year 2019: USD 1 = MYR 4.1430

Year 2020: USD 1 = MYR 4.2016

0. Executive summary

Amid a highly challenging global and domestic operating environment, the Malaysian economy **contracted by 5.6% in 2020**, the biggest decline since 1998 (-7.4%) (2019: +4.3%). This was due to broad-based weaknesses in exports, production and domestic demand arising from adverse external spillovers and the introduction of stringent domestic containment measures to combat COVID-19.

The weaker domestic economic activities led to a deterioration in the labour market and income losses, thereby impacting consumer spending. Private investment activity was affected by adverse business confidence and the slower implementation of projects. Public expenditure was also affected, mainly by the implementation of the Movement Control Order (MCO). The impact was greatest in the second quarter of 2020, when GDP contracted by 17%. Malaysia's **external debt increased to 67.7% of GDP** (2019: 62.6% of GDP). **Headline inflation of Malaysia in 2020 was negative at -1.2%** (2019: 0.7%), primarily due to the drop in global oil prices and the implementation of the tiered electricity tariff rebate.

As a highly open economy that faces large cross-border capital flows, Malaysia experienced a 4.9% depreciation in the ringgit exchange rate against the US dollar during the first quarter, particularly when investors reacted to major global and domestic developments. Subsequently, the ringgit exchange rate reversed the depreciation in the first phase and stabilised with an overall **appreciation of 2.0% to close at RM 4.0130 against the US dollar** for the year.

Labour market conditions were significantly impacted in 2020 by restrictions imposed throughout the year that were intended to curb the spread of the pandemic. Employment growth contracted by 0.2% (2019: 2.1%), amounting to a net employment loss of 30,000, while the **unemployment rate rose to 4.5%**, the highest level in the past 30 years (2019: 3.3%).

The Malaysian economy was tested by several external and domestic challenges from the beginning of 2020, with unprecedented **political turmoil and uncertainty** leading to a declaration of an emergency and the suspension of parliament. The prime minister gained powers to pass laws and approve expenditure without a parliamentary vote. Although such emergency declaration may serve as a 'circuit breaker' to domestic political opposition, it increased the perceived risk that foreign investors saw in Malaysia.

Malaysia's **net foreign direct investment (FDI) fell 56%** to USD 3.4 billion in 2020. According UNCTAD Investment Trends Monitor, Malaysia lost FDI at a worse rate than its ASEAN neighbours during the pandemic-hit 2020. Malaysia's **top FDI investors in 2020 were from China, followed by Singapore and the Netherlands**. In terms of industries, 55% of the total approved investments were in the manufacturing sector, 41% in the services sector, and the primary sector received the balance of 4%.

The World Bank expects Malaysia to achieve high-income and developed nation status somewhere between 2024 and 2028. A **persistent slowdown in investment growth** poses a risk to Malaysia's future growth potential, with an adverse impact on technological progress and productivity growth.

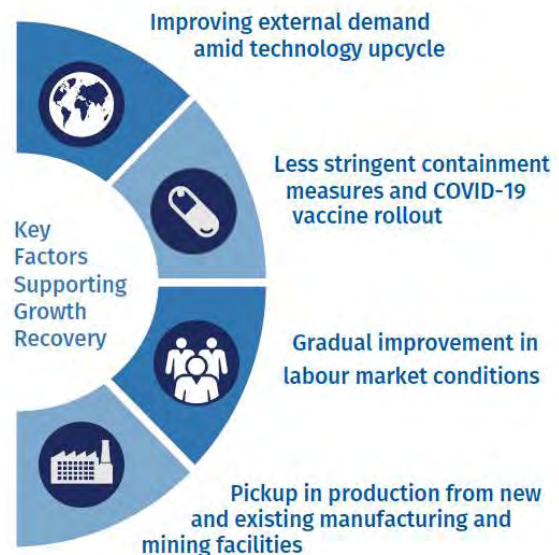
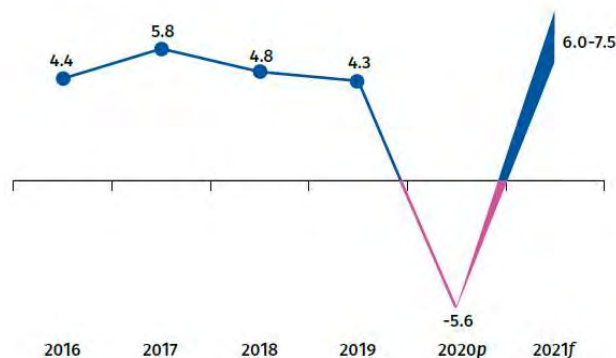
Despite the unprecedented scenario of COVID-19, Malaysia's external trade performed fairly well, with **exports rebounding in the second half of 2020** compared to the negative growth recorded in the first half of the year. This could be attributed to the progressive opening of the economy and the gradual recovery of external demand. Exports to China recorded a new high in 2020 and similar momentum was reported for the United States, which posted its largest value over the last decade. There was significant export growth in emerging markets, notably Costa Rica, Kazakhstan, Kenya, Nigeria, Ghana and Cote d'Ivoire. Rubber products, electrical and electronics (E&E) products, as well as palm oil and palm oil-based agriculture products registered strong export expansion.

The Malaysian government has identified several high potential industries as the drivers and sources of growth under the 12th Malaysia Plan which is due to be announced soon. The industries include **aerospace; a more sophisticated electrical and electronics sector; biomass and smart farming**.

According to the Central Bank, the Malaysian economy is projected to **rebound to between 6.0% and 7.5%** in 2021. Growth will be underpinned by the recovery in global demand and the gradual improvement in domestic economic activity. The growth trajectory will be mainly influenced by COVID-19 developments, particularly the extent and duration of containment measures, the rollout of vaccines and political stability. Nevertheless, the overall impact for the year is expected to be smaller than that of 2020, owing to a less restrictive and more targeted approach to contain COVID-19.

Malaysia's GDP to rebound in 2021

Real GDP Growth (Annual Change, %)



Source: Central Bank of Malaysia

Bilateral trade and economic relations

The total bilateral Swiss - Malaysian trade in 2020 was CHF 1.9bn¹. The declining trend (2019: 2.1bn and 2018: CHF 3.3bn) was mainly due to reduced trade in precious stones and gold.

The ranking of locally-approved Swiss investments in Malaysia by MIDA improved from no.17 (2019) to no.7(2020), as investment figures increased about 22 times to USD 685m² (2019: USD 31m)

After a slow-down in 2020 due to the change of government in Malaysia, the delegation of EFTA (European Free Trade Association) awaited the green light from the current cabinet to continue with free trade negotiations. The next session will be the 10th round, in May 2021.

1. Economic problems and issues

Malaysia is seen as suffering from unclear economic direction, despite its past successes in developing regulations, institutions and infrastructures that stimulated both domestic entrepreneurs and foreign investments. Recent graft scandals, the lack of a general economic strategy of the previous government, on top of political instability with the current government, have made the country less attractive.³ Issues such as corruption, a lack of equal access to education, job losses and furloughed employees, human rights issues, and navigation between liberal and conservative policy directions continue to pose challenges.

Regionally, Malaysia is considered a top talent destination, ranking second in South-East Asia in the 2020 Global Talent Competitiveness Index. Although the share of the tertiary-educated labour force has been increasing, there is a disconnection between the education syllabus and the actual skills required by industry, which has created a talent skill gap. In the Bloomberg Innovation Index 2021, Malaysia ranked 29th out of 60 economies, dropping two places from the previous year. Malaysia performed below average in criteria such as productivity, pervasiveness of tertiary education, and the quantity of researchers. In this context, many industry players in Malaysia, especially those in the manufacturing sector, are partnering with government agencies such as TalentCorp and local educational institutions to provide relevant industrial training and internship programs. These will train employees to meet the job requirements and gain industrial know-how. Skill shortages reported by employers include oral expression and writing, social perceptiveness and critical thinking.⁴

¹ Federal Customs Administration, Switzerland

² Malaysian Investment Development Authority

³ The Malaysian Reserve 29.03.2021: Unclear direction weighs on Malaysia's FDIs

⁴ Economic and Monetary Review 2020, Central Bank of Malaysia

The country is also suffering from a high dependency on foreign labour, and unofficial figures estimate that up to six million foreign workers are in Malaysia (19% of the population)⁵. This is one of the main explanations for the suppressed salary levels. During the pandemic and due to border closures, the manufacturing industry over the past year has had to repatriate workers due to the expiry of work permits, while some companies' existing workers were trapped in their home country when the global lockdown was instituted. While industry endeavors to fill those vacancies with locals, foreign workers are usually employed to fill general operator-level jobs, which employers find difficult fill with locals due to the demanding nature of such jobs, and the salary expectations of locals.

The latest NGO reports highlighting the systemic forced labour of foreign workers in Malaysia has raised concerns over issues relating to the working environment, welfare and other human rights issues⁶. The U.S. Customs and Border Protection (CBP) recently directed all its ports of entry to begin seizing disposable gloves produced in Malaysia by its largest gloves producer, Top Glove Corp. Bhd., due to allegations of forced labour. The finding indicates signs of multiple forced labour exist in its production process, including debt bondage, excessive overtime, abusive working and living conditions, and retention of identity documents. Together with the palm oil industry, Malaysia continues to have a tarnished image of imposing harsh treatment to its foreign workers. This may give rise to reputational risk for companies. Despite government having introduced a number of measures in recent years stipulating employers to cover levy payments, provide housing in a permanent structure for foreign workers, and cover their insurance and medical costs, compliance is often lacking.

Sentiments expressed by businesses continue to dwell on a number of issues. These include the difficulty the government has in retaining a strong commitment to an open economy, maintaining the inflow of foreign direct investment, the lack of clarity and stability in government policies, difficulties in upholding the rule of law, as well as variable outcomes from ongoing efforts to eliminate corruption. The business sector remains cautious, awaiting policies that will emanate from political changes, even though no fundamental changes in trade and economic policies are expected by observers⁷.

The following are some major economic developments and policy changes in Malaysia in 2020:

- A company director was recently charged with corporate liability for corruption, based on a newly introduced provision under Section 17A of the Malaysian Anti-Corruption Commission (MACC), gazetted on June 1, 2020. The new section imposes corporate liability on both public and private companies whose employees are involved in corruption. This has been viewed as an important development in Malaysia as it will set the tone for future financial criminal cases. Companies are advised to set robust anti-corruption policies and endorse a zero tolerance stance against bribery as a defence against future risk.
- The Industrial Relations (Amendment) Act 2020 came into force on 1 January 2021. The amendments widen access to the Industrial Court, which has first instance jurisdiction over unfair dismissal cases and other matters of industrial relations. Overall, the amendments skew the Malaysian labour law covering protection against termination of employment further in favour of employees.
- The Enforcement of the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446) Amendment Ordinance 2021 mandates a minimum space requirement for workers' accommodation, basic facilities and safety and hygiene standards as a precondition to bringing foreign workers into the country.
- The Malaysian immigration authorities announced that effective 1 January 2021, companies intending to employ expatriate employees are first required to advertise the job vacancy for at least 30 days on the MYFutureJobs portal, and fulfill several other requirements before a company may get approval to hire expatriates. Employers can expect prolonged processing times due to the new requirement. Some automatic exemptions includes C-suite and key positions in an organisation, highly-skilled positions and renewals.
- Malaysia launched the 'MyDigital' Digital Economy Blueprint in February 2021, which includes various measures to drive Malaysia to become a digitally-driven high-income nation, as Malaysia transitions to the Fourth Industrial Revolution (4IR). The latter includes industries built around frontier technologies, biotechnological solutions to rising healthcare needs, and greening the

⁵Malay Mail, 27.11.2019

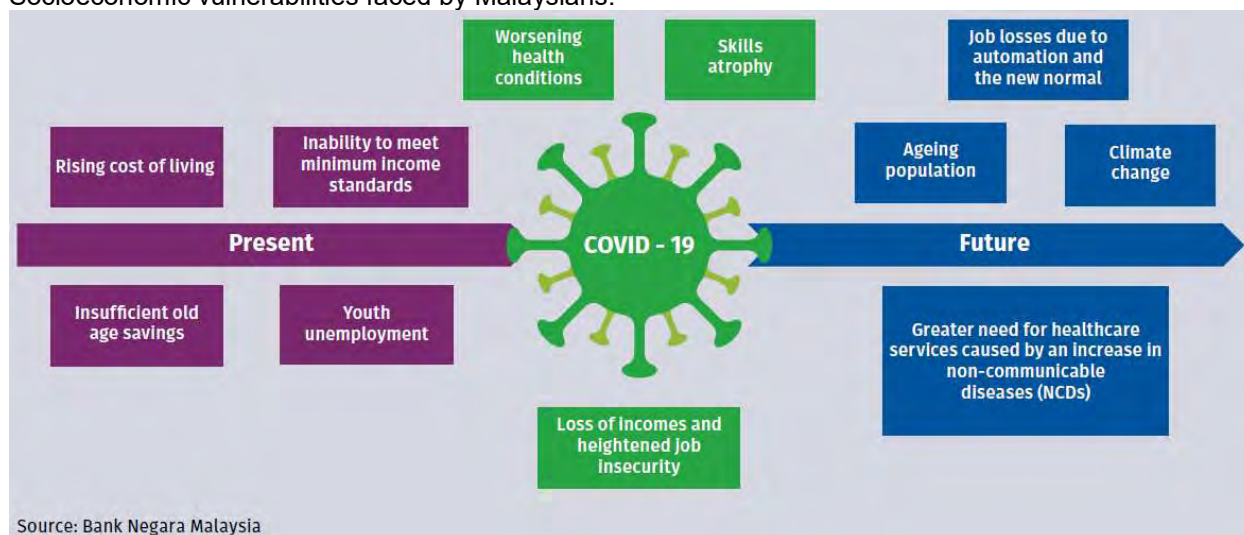
⁶Amnesty International Report 2020/2021, 07.04.2021

⁷Moody's Inside ASEAN Series' Media Roundtable 07.04.2021

economy to better manage climate change risks. 5G services are expected to be commercially available by the fourth quarter of 2021.

- The Central Bank of Malaysia issued a digital banking framework on 31 December 2020. The submission of applications to conduct digital banking business or Islamic digital banking business must be made to the central bank no later than 30 June 2021. Up to five licenses may be issued to qualified applicants and preference will be accorded to an application in which the controlling equity interest in the proposed licensed digital bank resides with Malaysians.
- Malaysia revoked the exemption to its cabotage policy for submarine cable repair vessels on Nov 13, 2020. Given the lack of suitable domestic vessels and the need to apply for a licensing exemption from the Transport Ministry prior to each repair, this raises concerns about the impact on the development of the nation's digital economy.

Socioeconomic vulnerabilities faced by Malaysians:



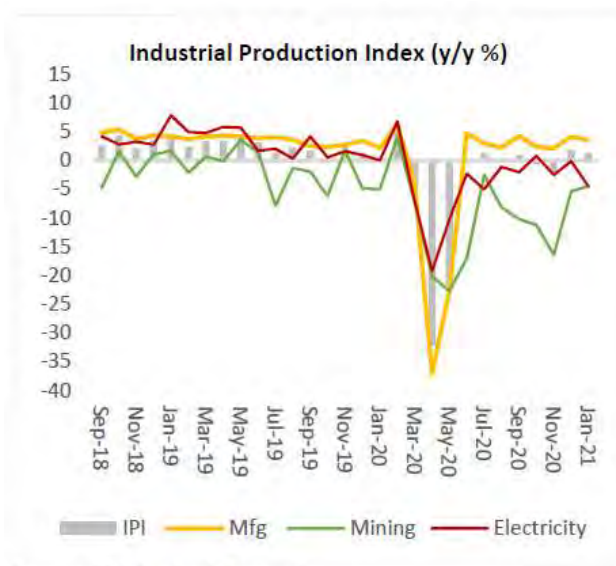
Economic consequences of COVID-19

The COVID-19 pandemic has seriously impacted the Malaysian economy, which recorded a significant contraction, especially in the second quarter of the year. The impacts of COVID-19 on Malaysia's economy can be seen in the high unemployment rate and depreciation of the Malaysian Ringgit against the US dollar during 2020.

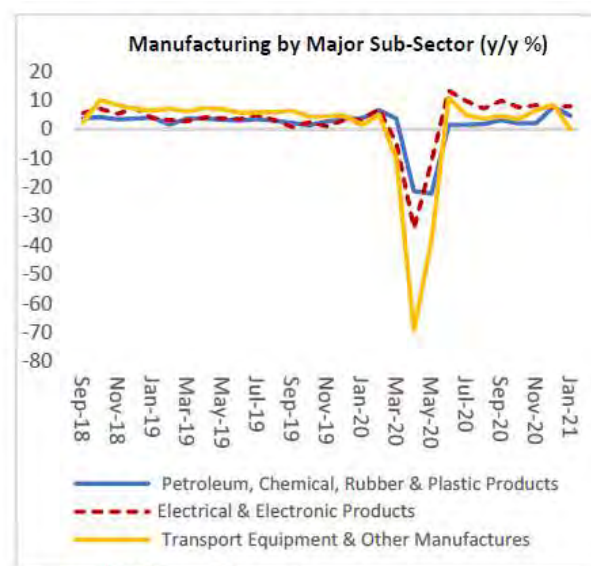
Malaysians were placed under a Movement Control Order (MCO) from 18 Mar 2020, accompanied by the closure of all government and private premises, except those involved in essential services. However, almost all businesses have been allowed to operate since 04 May 2020, with strict SOPs, in order to revive the economy. Subdued economic conditions in advanced and regional economies resulted in lower demand from key trade partners. The disruptions to the global manufacturing supply chains further affected export activity in the second quarter of 2020. Given the nature of the crisis, only selected export products, such as electrical and electronics (E&E) and rubber products, were more resilient during the year. These developments reflect the higher demand for work from home equipment and medical-related products.

During the period of the MCO, the large-scale disruption caused by measures to curb the spread of the COVID-19 outbreak severely impaired the economy in the first half of 2020. Industrial output was estimated to have reduced by 40% - 70% during the MCO⁸. In the manufacturing sector, production disruption abroad also lowered the demand for Malaysian-manufactured products, which are often used as input components in the affected economies' exports to the rest of the world. Overall, this compounded the effects of the weaker final demand from affected countries, thus further inhibiting Malaysia's manufacturing activity and export performance. Additionally, palm oil exports shrank and the energy sector has been adversely affected by the oil price collapse, which will further hamper exports, and strain an already tight fiscal space.

⁸Malaysian Institute of Economic Research (MIER), 23.03.2020



Source: CEIC/AmBank Research



Source: CEIC/AmBank Research

One sector in Malaysia that has been severely impacted by the COVID-19 pandemic is tourism. The Visit Malaysia 2020 (VM2020) campaign, which aimed to attract 30 million tourist arrivals, has been cancelled. The services sector, including the tourism industry, accounts for nearly 57% of the Malaysian economy. The export of services contracted significantly by 46%, due mainly to the sharp fall in tourist arrivals (2020: 4.3 million persons, 2019: 26.1 million persons) as international borders remained closed since March 2020.



Source: CEIC/AmBank Research

The COVID-19 pandemic, which has caused unprecedented loss of income and heightened economic insecurity has provided a litmus test for the effectiveness of the generally rather minimal social protection system. The pandemic has revealed deep-seated issues regarding Malaysia's existing social protection framework. These include fragmented and overlapping social protection programs, gaps in coverage, and the inadequacy of programs to comprehensively address vulnerabilities. The new normal also imposes a more challenging operating environment in the labour market. Workers are subject to various risks from widespread automation and technological enhancement, with a disproportionate impact on the informal and low-skilled segments. Historically, the youth unemployment rate has consistently been two to three times higher than overall unemployment. In 2019, the youth graduate unemployment rate remained elevated at 17.5%, with the overall youth unemployment rate at 10.5%. Starting salaries for graduates have been stagnant, taking into account the corresponding movements in consumer prices.

Recognising the significant economic impact of the pandemic, Malaysia adopted a complementary policy approach during the crisis. A series of stimulus packages worth a record high of USD 72.6 billion (20% of

GDP) was unveiled to support the economy. Direct fiscal support included cash transfers, tax incentives, and wage subsidies, while financial measures included the six-month automatic loan moratorium, credit guarantees, as well as various financing facilities for small- and medium-sized enterprises (SMEs). These were supplemented by other initiatives such as the Employee Provident Fund (EPF) cash withdrawal scheme and a lower employee contribution rate to the EPF.

To provide support to the economy, the central bank reduced the Overnight Policy Rate by a cumulative 125 basis points to a historical low of 1.75% in 2020. The Temporary Measures for Reducing the Impact of Coronavirus Disease 2019 (COVID-19) Act 2020 ("COVID Act") was also introduced in Malaysia in October 2020 to address the inability of firms and individuals to fulfil certain contractual obligations during this period of distress.



Source: Central Bank Malaysia

Concurrently, the domestic rollout of vaccines, beginning in February 2021, will provide some lift to consumer sentiments and spending. However, as mass vaccination to induce herd immunity is expected to occur in a phased manner, the improvement in sentiments is expected to be gradual. As such, international tourism activities in Malaysia are unlikely to resume in a meaningful way, in order to limit community transmission and imported cases.

2. International and Regional Economic Agreements

2.1 Country's Policy and Priorities

Malaysia continues to support the rule-based multilateral trading system under the World Trade Organisation and pursue trading arrangements to complement the multilateral approach to trade liberalisation. So far, Malaysia has implemented seven bilateral FTAs and seven regional FTAs.

Bilateral FTAs	Entry into force	Regional FTAs	Entry into force
Malaysia-Japan Economic Partnership Agreement (MJEPA)	2006	ASEAN Free Trade Area (AFTA)	1993
Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA)	2008	ASEAN-China Free Trade Agreement (ACFTA)	2003
Malaysia-New Zealand Free Trade Agreement (MNZFTA)	2010	ASEAN-Korea Free Trade Agreement (AKFTA)	2006
Malaysia-India Comprehensive Economic Cooperation Agreement (MICECA)	2011	ASEAN-Japan Comprehensive Economic Partnership (AJCEP)	2009
Malaysia-Chile Free Trade Agreement (MCFTA)	2012	ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA)	2010
Malaysia-Australia Free Trade Agreement (MAFTA)	2013	ASEAN-India Free Trade Agreement (AIFTA)	2010
Malaysia-Turkey Free Trade Agreement (MTFTA)	2015	ASEAN – Hong Kong Free Trade Agreement (AHKFTA)	2019

The negotiations for the Malaysia-EU FTA (MEUFTA) reached an impasse in 2012 as both sides had exhausted their negotiating options at that time. Subsequently, it was agreed that negotiations would resume when a fresh mandate or degree of flexibility become available to both sides. Malaysia and the EU are currently undertaking their own internal assessments with their stakeholders on the way forward.

FTAs signed but pending ratification and entry into force are:

1. Regional Comprehensive Economic Partnership (RCEP)
2. Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Malaysia joined the RCEP in November 2020 together with 14 other RCEP Participating Countries (RPCs). The main objective of the RCEP is to streamline and amalgamate ASEAN FTAs with its Dialogue Partners into a single regional trade agreement that can contribute to strengthening regional value chain activities. A total of 62% of Malaysia's trade is with RCEP countries. However, as Australia and New Zealand are already required to remove all their tariffs on ASEAN exports in the ASEAN Australia-New Zealand FTA by 2020, ASEAN countries cannot hope to export more to Australia and New Zealand under the RCEP; the same goes for exports to China, Japan and South Korea. Better access to RCEP markets is expected to be experienced by the Malaysian industries of food and beverages, chemical and chemical products, rubber products and plastic products, as well as machinery and equipment companies. Nevertheless, textiles and timber products will be hampered by low-cost competitors such as Vietnam. Changes in customs procedures is expected to have a greater impact on a firm than a reduction in tariffs, as the cost of delays at the border can be quite high and often hit the bottom line more than a tariff rate adjustment. A commitment to move trade documentation online or clear express cargo within six hours could turn out to be the most important point of the RCEP for many companies. According to the Socio-Economic Research Centre Malaysia, the RCEP is expected to generate a net positive effect on Malaysia, with a net increase in GDP of between 0.8% and 1.7%.

Meanwhile, Malaysia is still evaluating the ratification of the CPTPP Agreement and has not committed to a specific date. The new Government has yet to decide whether or not Malaysia will ratify the agreement.⁹ There has been a vocal lobby against the CPTPP, arguing that the country would lose policy flexibility, while government-linked companies would be restricted in the preferences that they can give to local SMEs under the trade pact government procurement chapter.¹⁰

2.2 Outlook for Switzerland (potential for discrimination)

The Malaysia - European Free Trade Association Partnership between Malaysia and Iceland, Liechtenstein, Norway and Switzerland has undergone nine rounds of negotiations since March 2014. Round nine was hosted by Kuala Lumpur in February 2020 after talks had been suspended for three years. After a slow-down in 2020 due to the change of government in Malaysia, the EFTA delegation (European Free Trade Association) has recently be informed by its counterparts in the Ministry of International Trade and Industry (MITI) that the Cabinet has adapted a mandate to continue the negotiations. The next round of negotiations is scheduled for May 2021.

The treaty aims at establishing a rule based trading environment and enhanced market access for goods and services. In the coming rounds, partners have to strike a balance, including sustainability provisions for oil seed products (palm oil). The conclusion of a FTA between Malaysia and the EFTA will improve the competitiveness of Swiss exports to Malaysia. Swiss companies could benefit from using Malaysia as a 'springboard' to other countries in the region.

The Double Taxation Agreement of 30th December 1974 and the Investment Guarantee Agreement of 1st March 1978 (currently intended to be up-dated) between Switzerland and Malaysia have paved the way for the development of bilateral trade between both countries. There are no specific discriminative policies being implemented against Switzerland.

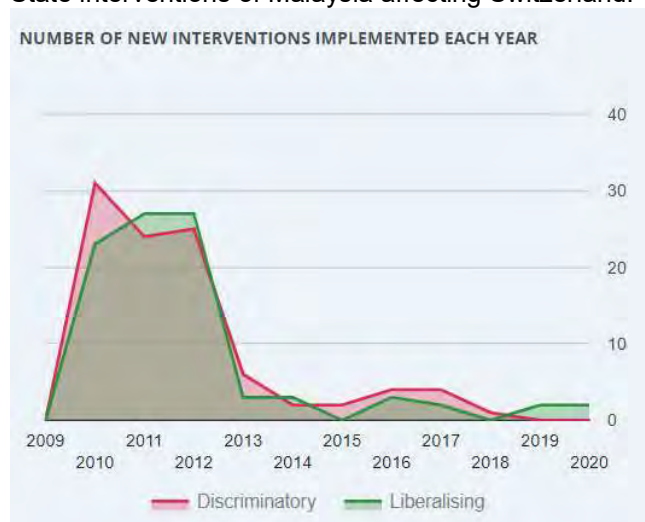
In the pharmaceutical industry, Switzerland has been recognised by the Malaysian authorities as a reference country for Certificates of Pharmaceutical Product (CPPs), along with other countries such as the USA, Australia, Japan, Canada and a number of European states.¹¹

⁹ Ministry of International Trade and Industry

¹⁰ Channel News Asia 18.01.2019

¹¹ Ministry of Health, Malaysia

State interventions of Malaysia affecting Switzerland:



Source: Global Trade Alert

3. Foreign Trade

3.1 Development and general outlook

Real GDP by type of economic activity (2015=100):

	2020 ^p	2020 ^p	2021 ^f	2020 ^p	2021 ^f
	% of GDP	Annual change (%)		Contribution to growth (ppt) ¹	
Services	57.7	-5.5	6.6	-3.2	3.8
Manufacturing	23.0	-2.6	8.8	-0.6	2.0
Mining and quarrying	6.8	-10.0	3.1	-0.7	0.2
Agriculture	7.4	-2.2	4.2	-0.2	0.3
Construction	4.0	-19.4	13.4	-0.9	0.5
Real Gross Domestic Product (GDP)	100.0 ¹	-5.6	6.0 ~ 7.5	-5.6	6.0 ~ 7.5

¹ Figures may not necessarily add up due to rounding and exclusion of import duties component

^p Preliminary

^f Forecast

Source: Department of Statistics, Malaysia and Bank Negara Malaysia

3.1.1 Trade in goods

Malaysia's total trade in 2020 contracted by 3.6% compared to 2019. The trade surplus in 2020 recorded the fourth consecutive year of double-digit growth, with an expansion of 27% compared to 2019. This was also the largest trade surplus thus far, representing Malaysia's achievement in sustaining a trade surplus for 23 consecutive years since 1998. Despite the unprecedented challenges, Malaysia's external trade performed fairly well, with exports rebounding in the second half of 2020 compared to the negative growth recorded in the first half of the year. Malaysia's trade performance was in tandem with countries in the region, notably Indonesia, Singapore, South Korea and Thailand.

As Malaysia's largest trading partner for 12 consecutive years, trade with China in 2020 accounted for a large share of total trade, 18.6%, compared to 17.2% a year ago.

Trade with the European Union (EU) in 2020 was valued at 8% of Malaysia's total trade, a decline of 10.4% compared to 2019.

Export

Malaysia's exports in 2020 declined marginally by 1.4% compared to the preceding year, in tandem with the unfavourable external environment due to the impact of the COVID-19 pandemic. Exports rebounded in the second half of 2020, increasing by 4.8%. This was a significant improvement from a 7.9% contraction in the first half of 2020 as the economy progressively reopened and external demand gradually recovered.

Exports to China recorded a new high in 2020 (+4.2%) and similar momentum was reported for the United States (+12.7%), which posted the largest value in the last decade. Exports to China contributed 16.2% of Malaysia's total exports in 2020. This expansion was driven by higher exports of iron and steel products; other manufactures (SSD); E&E products; the manufacture of metal, palm oil and palm oil-based agriculture products; and rubber, paper and pulp products.

In 2020, exports to ASEAN made up 27.8% of Malaysia's total exports. Exports to the region posted a contraction of 4.7% following lower exports of crude petroleum, manufactures of metal, and petroleum, iron and steel products.

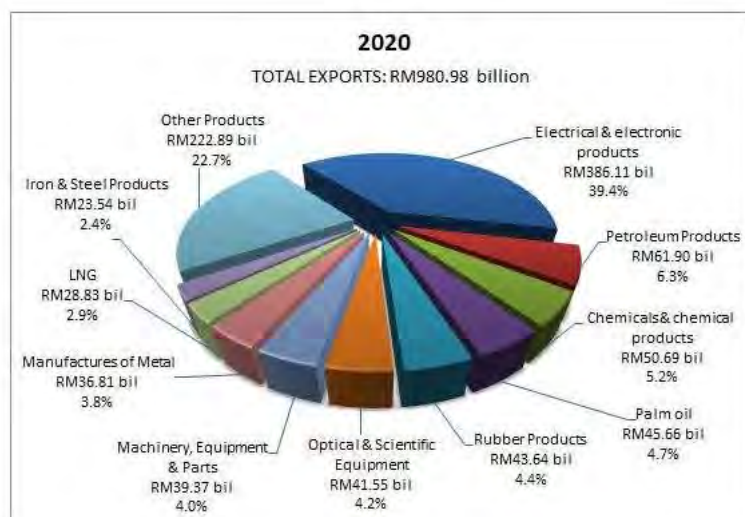
Exports to the EU decreased by 4.3%, mainly due to lower exports of E&E products. The contraction was moderated by higher exports of rubber products, palm oil and palm oil-based agricultural products. Shipments of rubber products to the EU doubled from the previous year while exports of palm oil and palm oil-based agricultural products surged by 36.4%. From the top ten EU markets which accounted for 90.6% of Malaysia's total exports to the EU, four countries recorded expansions, namely Italy, which increased by 7.9%, the Czech Republic (↑26%), Poland (↑30.9%) and Slovenia (↑37.6%).

E&E products held the biggest share of Malaysia's total exports in 2020 at 39.4%, a 3.5% rise compared to the previous year. The increase was due to higher exports of electronic integrated circuits, apparatus for the transmission of voice, images and data, as well as parts for electronic integrated circuits to support work-from-home activities.

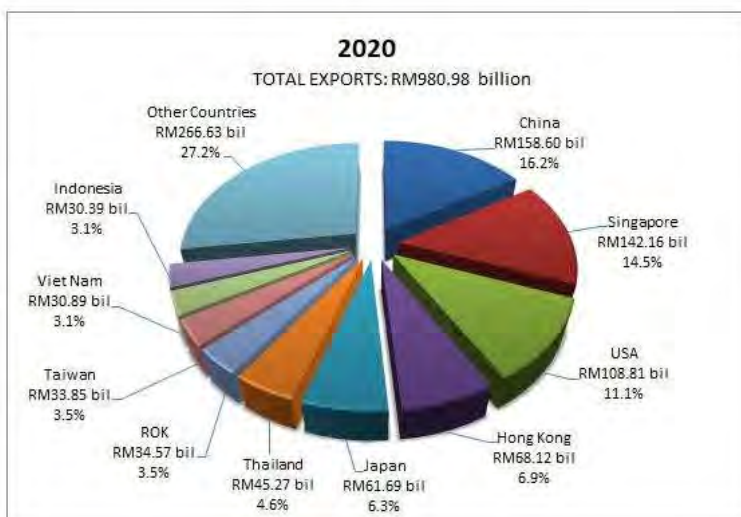
In tandem with the rising global demand for personal protective equipment (PPE) due to the COVID-19 crisis, Malaysia's exports of rubber products, notably rubber gloves, recorded strong growth in 2020. Exports of rubber gloves doubled from the previous year, with expansions recorded mainly to the US, China, the United Kingdom, Germany and Spain.

There was significant export growth to emerging markets, notably Costa Rica, Kazakhstan, Kenya, Nigeria, Ghana and Cote d'Ivoire. Rubber products, electrical and electronics (E&E) products, as well as palm oil and palm oil-based agricultural products registered strong export expansion to these countries.

Major export by products:



Major export trade partners:



Source: MATRADE, Malaysia

Import

In 2020, Malaysia's total imports slipped by 6.3%. China has remained the largest import source since 2011, followed by Singapore, the US, Japan and Taiwan. These countries contributed 54.4% to the total imports. Imports from ASEAN amounted to a 22% share of Malaysia's total imports, while the EU accounted for a 7.4% share.

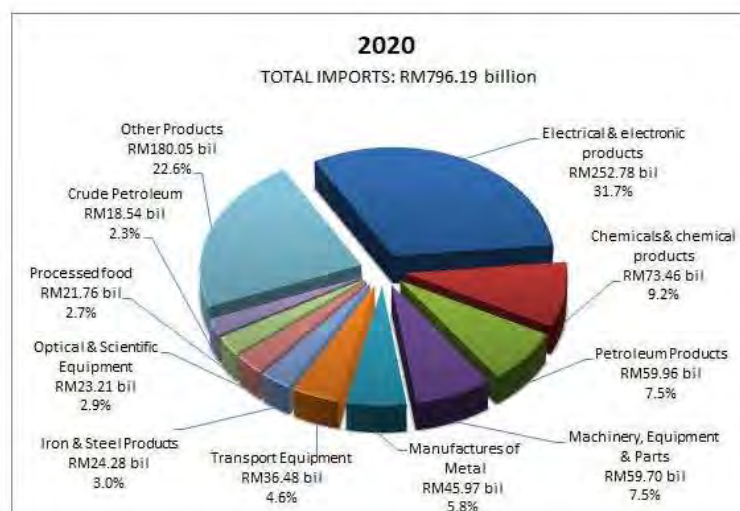
Imports from ASEAN countries decreased by 14.9%. The main imports were E&E products, petroleum products, and chemicals and chemical products.

China accounted for 21.5% of total imports in 2020, a share which contracted by 2.6% compared to 2019. The main imports were E&E products, machinery, equipment and parts, as well as chemicals products.

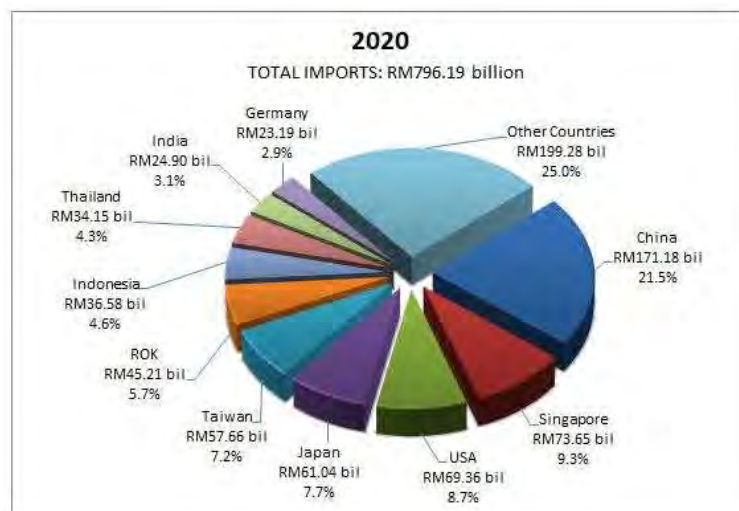
Imports from the US grew by 1% and the main imports were E&E products, chemical products, as well as machinery, equipment and parts.

Imports from the EU in 2020 fell by 17.8% compared to 2019. The main imports were E&E products, chemical products, as well as machinery, equipment and parts.

Major import trade partners



Major import by products



Source: MATRADE, Malaysia

3.1.2 Trade in services

The service industry accounts for close to 58% of the national economy. In 2020, the growth of the services sector contracted by 5.5% (2019: +6.1%), as the pandemic and containment measures disproportionately affected domestic consumer-oriented industries. Operational and mobility restrictions, on top of subdued consumer sentiments, led to weaker spending and business activities in the wholesale and retail trade, as well as the real estate and business services sub-sectors. In addition, international border and mobility restrictions significantly disrupted tourism activities in Malaysia. The Visit Malaysia Year 2020 was cancelled due to the unprecedented pandemic that affected all countries. This in turn affected key services such as the food and beverage and accommodation sub-sectors, as well as air travel.

Meanwhile, the finance and insurance sub-sector recorded positive growth for the year, with sustained net interest income amid loan and deposit growth in the second half of 2020, despite higher credit costs and losses from loan modifications. The information and communication subsector also continued to expand, supported by stronger demand for broadband data as e-commerce and e-payment activities grew amid greater digitalization and remote working arrangements.

The services sector is expected to register a growth recovery in 2021. The information and communication, as well as finance and insurance sub-sectors are poised to lead the recovery as demand for digital solutions, especially in e-commerce and e-payment, continues to accelerate. Nonetheless, the re-imposition of the MCO 2.0 in the early part of the year will impact activities in the wholesale and retail sub-

sector. Additionally, the closure of Malaysia's international borders will continue to affect tourism-related industries (e.g. food and beverage, accommodation and air travel).

The Eleventh Malaysia Plan, 2016-2020, establishes the services sector as an eminent focus for the future, and is expected to remain the main driver for the future direction of the nation's economic growth. Greater focus will also be given to the modern and knowledge-based industries, including halal services, ecotourism and information, communication and technology (ICT).

Services Sector Performance at Constant 2015 Prices

	2017	2018	2019	2020p	2017	2018	2019	2020p
	Annual change (%)				Share to GDP (%)			
Services	6.3	6.8	6.1	-5.5	55.6	56.7	57.7	57.7
Intermediate services	6.7	6.9	6.3	-4.9	20.3	20.7	21.1	21.3
<i>Finance and insurance</i>	4.7	5.4	4.6	2.7	6.5	6.5	6.6	7.1
<i>Real estate and business services</i>	7.6	7.6	7.8	-15.2	4.5	4.7	4.8	4.3
<i>Transport and storage</i>	6.2	6.4	6.8	-21.9	3.6	3.7	3.8	3.1
<i>Information and communication</i>	8.6	8.3	6.6	6.0	5.6	5.8	5.9	6.7
Final services	6.1	6.8	6.0	-5.9	35.3	36.0	36.6	36.5
<i>Wholesale and retail trade</i>	7.2	8.2	6.7	-6.1	16.1	16.7	17.0	17.0
<i>Food & beverages and accommodation</i>	7.5	9.0	9.6	-26.5	3.2	3.3	3.5	2.7
<i>Utilities</i>	2.9	4.9	6.0	-1.3	2.6	2.6	2.7	2.8
<i>Government services</i>	4.9	4.5	3.7	4.5	8.4	8.4	8.4	9.3
<i>Other services</i>	5.1	5.5	5.5	-10.5	4.9	4.9	5.0	4.7

p Preliminary

Note: Numbers may not necessarily add up due to rounding

Source: Department of Statistics, Malaysia

3.2 Bilateral Trade

3.2.1 Trade in goods

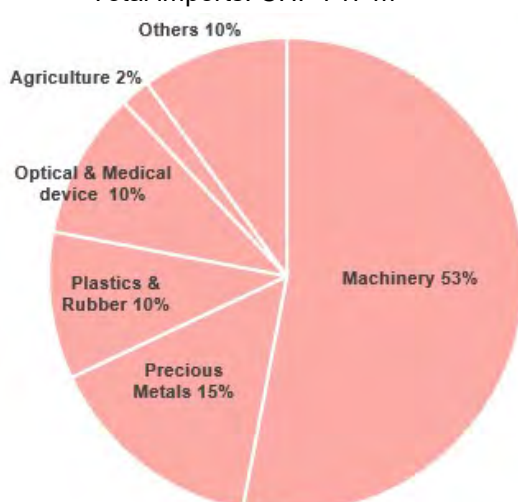
The total bilateral Swiss - Malaysian trade in 2020 was recorded at CHF 1.9 billion (2019: CHF 2.14 billion). The decline of trade, amounting to a drop of CHF 223 million from 2019, was largely due to the reduced export of precious metal from Switzerland to Malaysia.

Switzerland continues to maintain a trade surplus against Malaysia in 2020 despite a decrease in both exports (-16%) and imports (-1%). Precious metals continue to comprise the biggest share of exports from Switzerland to Malaysia at 40%, followed by pharmaceutical products at 20% and machinery at 17%. All the top sectors registered a decline against the backdrop of the economic slowdown except for pharmaceutical products, which recorded an 11% growth. Other notable changes include an increase of 52% in rubber products imported from Malaysia, which could be expected due to the gloves needed in the management of the pandemic.

The sectors from Switzerland that continue to be of strong interest for Malaysian companies are pharmaceuticals and machinery. It is forecast that, in the near future, this situation will remain similar. The comparative advantage in those sectors for Swiss products remains their high quality, precision and reliability.

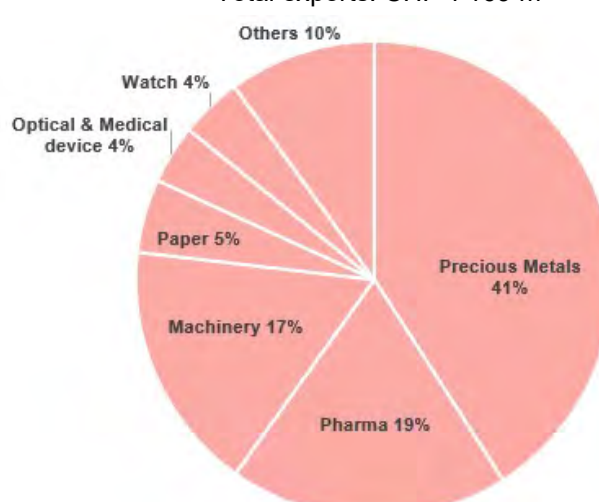
Switzerland's top imports from Malaysia

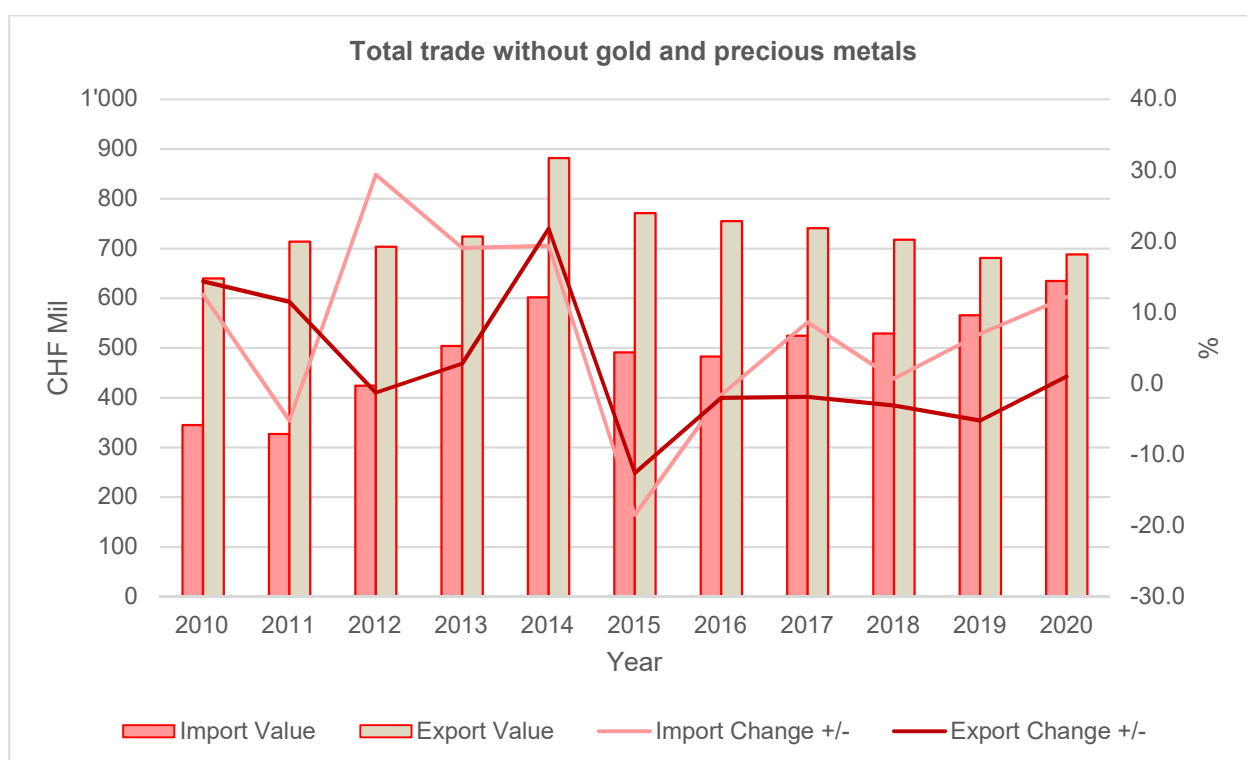
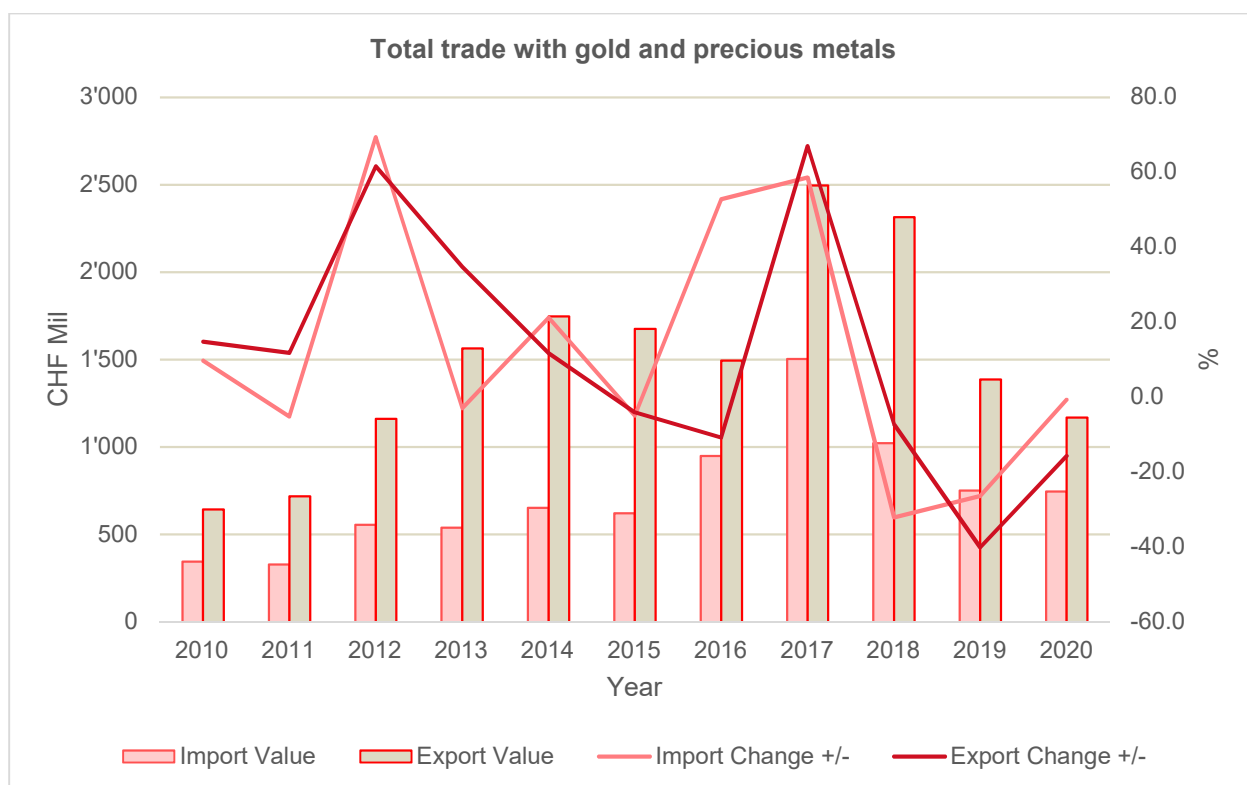
Total imports: CHF 747 m



Switzerland's top exports to Malaysia

Total exports: CHF 1'169 m

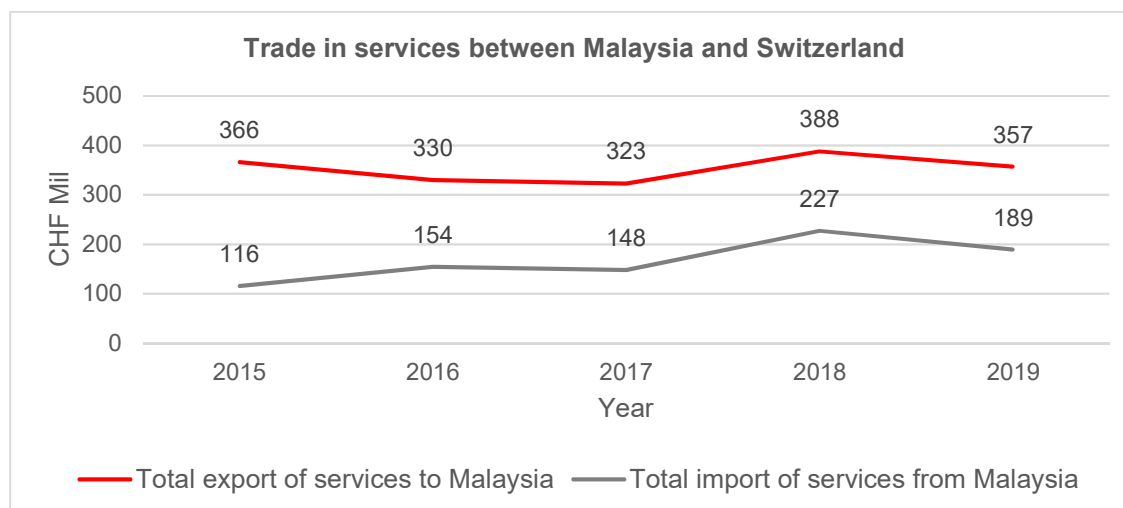




Source: Swiss Customs Administration

As Malaysia is moving towards an upper-middle-income nation, more than half the population are in the middle- to high-income groups and have growing purchasing power. Lifestyles are becoming more sophisticated and modern, leading to the greater consumption of imported consumer products from western countries. When making purchase decisions about such products, consumers place a premium on products that feature high quality and safety standards, and items that provide superior function or performance. A prime example is within the drugstore or pharmacy channel, where premium ranges are driving category growth, while larger sections of supermarkets are allocated for products that contain organic or all-natural ingredients.

3.2.2 Trade in services



Source: Department of Statistics Malaysia - data for 2020 has not been publicly published.

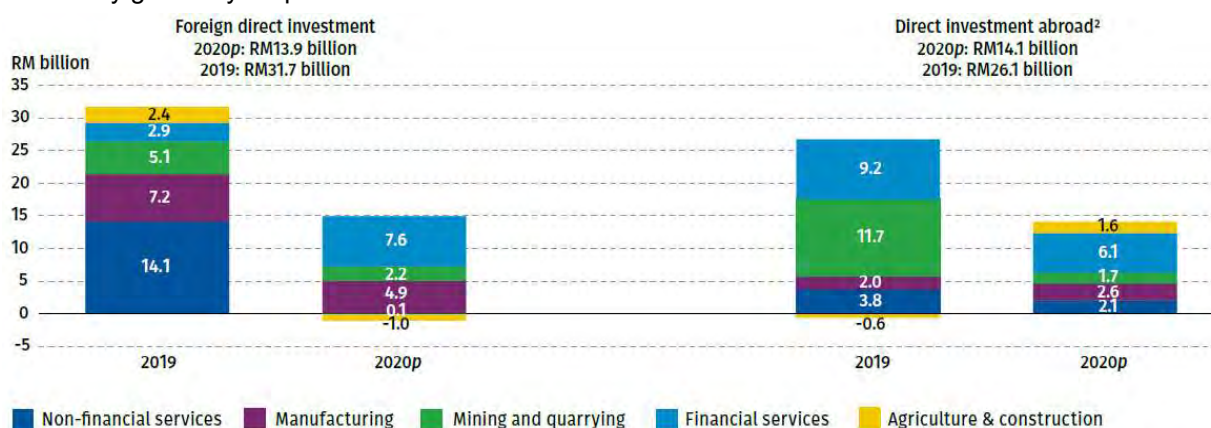
Detailed data on trade in services across various sub-sectors between Switzerland and Malaysia remains relatively scarce and is not provided by the national database or the central bank of Malaysia. In general, Malaysians continue to be interested in tourism in Switzerland; Swiss higher education, especially hospitality courses; and the financial services of Switzerland.

4. Direct Investments

4.1 Development and general outlook

Private investment in Malaysia declined by 12% in 2020 as firms faced heightened uncertainty. The mobility restrictions led to delays in the implementation of investment projects and the delivery and installation of M&E. Nevertheless, investment intentions, particularly in the manufacturing sector, remained encouraging during the year, given the strong demand. This was especially true in the export-oriented industries, with investment approvals mainly in high-value added industries, such as E&E and petroleum products. Rising demand for industries related to the new normal, such as telecommunications, rubber and medical-related sectors provided some support for growth.

Public investment declined by 21%, as capital spending by both the Federal Government and public corporations remained subdued due to slower project progress and weaker demand conditions in most sectors, including oil and gas and utilities. Nevertheless, continued progress was made in large infrastructure projects, such as the East Coast Rail Link, the Mass Rapid Transit and the Pan Borneo Highway, which provided some support for public investment growth in the second half of 2020 as the economy gradually reopened.



¹ Foreign direct investment and direct investment abroad as defined according to the Balance of Payments and International Investment Position Manual, Fifth Edition (BPM5) by the International Monetary Fund (IMF)

² Negative values refer to net inflows

p Preliminary

Note: Figures may not necessarily add up due to rounding

Source: Department of Statistics, Malaysia and Bank Negara Malaysia

In 2020, Malaysia's net FDI inflows stood at USD 3.3 billion; a decline from 2019 (USD 7.5 billion). MNCs in Malaysia were repatriating higher amounts of their profits for loan repayments and retaining earnings to help their HQ and affiliates faced with financial difficulties. Net FDI flows also indicate the maturity of Malaysia's monetary policy, which allows for the repatriation of capital, interest, dividends and profits, all prerequisites for a trading nation.

The total stock of FDI in the country rose by USD 3.4 billion to USD 167.5 billion at the end of December 2020, with Singapore the largest investor at 22%, followed by Hong Kong at 12% and Japan at 11%.

Malaysia recorded approved investments totaling USD 39 billion in the manufacturing, services and primary sectors in 2020, which involved 4,599 projects. Of the total investments approved, FDI accounted for 39% of the total, with domestic direct investments (DDI) accounting for 61%. The top five sources of approved FDI for the manufacturing, services and primary sectors were China (USD 4.3 billion), Singapore (USD 2.4 billion), The Netherlands (USD 1.7 billion), The British Virgin Islands (USD 1.3 billion) and the U.S.A. (USD 1 billion).

The manufacturing sector attracted 56% of the total approved investments, followed by the services sector at 41%, while the primary sector received 3.7%. The total investments approved in the manufacturing sector were mainly from E&E (USD 3.7 billion), petroleum products (USD 3.69 billion), basic metal products (USD 3.4 billion), paper, printing and publishing (USD 1.9 billion), M&E (USD 1.7 billion), chemical products (USD 1.5 billion), rubber products (USD 1 billion), transport equipment (USD 0.9 billion) and food manufacturing (USD 0.8 billion) industries. These industries comprised 86% of the total approved investments.

In a bid to attract FDI, the Malaysian government has introduced several policies; for example:

- The central bank announced measures to liberalise its foreign exchange policy to strengthen Malaysia's position in the global supply chain and attract FDI. One of the new measures is the removal of the export conversion rule. This means that resident exporters may now manage the conversion of export proceeds according to their foreign currency cash flow needs.
- Both short and long-term business travelers may now apply for permission to enter the country via Malaysia's Safe Travel portal. Short-term business travelers are defined as those who do not hold any pass and intend to stay in the country for 14 days or fewer. Short-term business travelers include potential investors seeking to do business in the country, existing investors, such as owners of companies in Malaysia who do not have Employment Passes, business customers for product qualification and validation before commercial production, and technical experts for ad-hoc emergency cases. Such individuals may be exempted from the mandatory quarantine period, subject to approval and adherence to strict standard operating procedures.

A joint study by KPMG and Washington, DC-based The Manufacturing Institute, entitled "The Cost of Manufacturing Operations around the Globe", ranked Malaysia fourth among 17 countries, outperforming China, India, Japan and Vietnam. The study provided an assessment of how the USA manufacturing sector compares in competitiveness to its main trading partners by evaluating 23 cost factors, divided into primary and secondary costs through a Cost of Doing Business (CoDB) Index. Malaysia emerged at the top of the CoDB Index, tied with China, Mexico and Vietnam in terms of primary costs while outperforming them on three factors - hourly compensation costs, real estate costs and corporate tax rates.

In the results of the 2020 World Bank Ease of Doing Business report, Malaysia was placed 12th best amongst the 190 surveyed economies, ranking it higher than all its ASEAN neighbours except Singapore. This is an improvement over its 2019 performance, when it ranked 15th. Malaysia is particularly adept at dealing with construction permits, providing electricity, and offering a legal regime that protects minority investors and shareholders. However, it is weak in helping entrepreneurs start new businesses, collecting and administering taxes, and facilitating cross-border trade.

4.2 Bilateral investment

Swiss investment in Malaysia began in the early 1900s with establishment of Nestlé and DKSH. Over the years, FDI from Switzerland continued to make its presence felt in the manufacturing sector, financial services and establishment of regional offices for countries in South-East Asia and Oceania.

Between 1980 and 2020, 227 manufacturing projects from Switzerland, with total investments of USD 3.95 billion, were approved by the Malaysian Investment Development Authority (MIDA), and are expected to

have created a total of 23,265 potential jobs.¹² These manufacturing investments are mostly centred on the electrical and electronics, machinery and equipment, food manufacturing and chemical industries.

Switzerland was ranked seventh amongst foreign investors with nine approved manufacturing projects by MIDA in 2020, totalling USD 685 million dollars' worth of investment (2019: USD 31 million), with the creation of 727 new jobs.

Approved manufacturing projects by MIDA with foreign participation by source, 2020 and 2019:

COUNTRY	2020			2019		
	NO	EMPLOYMENT	FOREIGN INVESTMENT (RM MILLION)*	NO	EMPLOYMENT	FOREIGN INVESTMENT (RM MILLION)*
China	71	10,376	17,752.4	79	14,174	15,300.3
Singapore	120	9,080	8,832.6	118	9,297	5,614.2
Netherlands	14	4,995	6,536.9	11	838	997.4
British Virgin Islands	12	2,460	5,494.8	6	4,723	1,940.2
USA	28	3,136	3,664.1	37	4,578	14,226.2
Hong Kong	27	4,093	2,932.0	24	2,959	1,186.0
Switzerland	9	727	2,762.4	2	113	126.2
Thailand	6	290	1,858.6	3	27	94.0
Japan	59	2,508	1,650.6	53	2,789	3,792.2
Korea, Rep.	8	686	1,379.3	15	695	914.1
Germany	8	171	1,183.5	22	534	848.3

Source: Malaysian Investment Development Authority (MIDA)

There are more than 150 Swiss-linked companies in Malaysia. Among them, three companies are listed in the Malaysian stock exchange: Nestlé, DKSH and Zurich Insurance.

The attractive features Malaysia continues to offer include its well-developed infrastructure, good supporting industries, the relatively low cost of doing business (e.g. low rental and yearly incremental expenses), a well-educated workforce and a good command of English.

5. Trade, Economic and Tourism Promotion “Country Advertising”

5.1 Foreign economic promotion instruments

Switzerland Global Enterprise (S-GE), with its mandate from the Swiss Parliament, is the key promotion agency related to exports, imports and investments for Switzerland and Liechtenstein. Its focus is very much on supporting small and medium enterprises. In view of its limited human resources, an agreement was formulated to share resources with the Embassy personnel; 50% of the local trade officer's time is dedicated to S-GE activities.

To achieve maximum cooperation, especially for market information and business opportunities with the ASEAN member countries, the Swiss Business HUB (SBH) ASEAN, with its regional head office in Singapore, was set up in 2005. The three Swiss Embassies participating in the SBH ASEAN are Malaysia, Singapore (which also covers Brunei) and Vietnam. Indonesia became a new independent hub in 2017. The remaining ASEAN countries continue to co-operate with S-GE on a case-by-case basis.

In 2020, SBH ASEAN-Malaysia supported a number of Swiss companies in the sectors of energy, laboratory, medical device, pharmaceutical, MEM, education, nanotechnology and consumer products, in order to expand operations or to explore potential activities in Malaysia. It achieved this by providing market entry information, advice related to the relocation of investment and distribution partner searches. It also provided initial links with government agencies, opening doors to future cooperation.

¹²Malaysian Investment Development Authority (MIDA)

On the local front, the Swiss Malaysian Chamber of Commerce (SMCC), previously known as the Swiss Malaysian Business Association (SMBA), was established in 2000. With 76 members (59 company members and 17 individual / honorary members) in 2020, the SMCC also played a role in promoting trade and investment activities. Swiss businesspeople planning to establish companies in the country stand to benefit from receiving first-hand information from the established Swiss representatives and fellow members.

The Embassy collaborated with the SMCC to share information from various platforms and organise events such as the Swiss Breakfast Talks, for the purpose of networking and exchanging information between the members. Two series of Swiss Breakfast Talks were organised in 2020.

5.2 The host country's interest in Switzerland

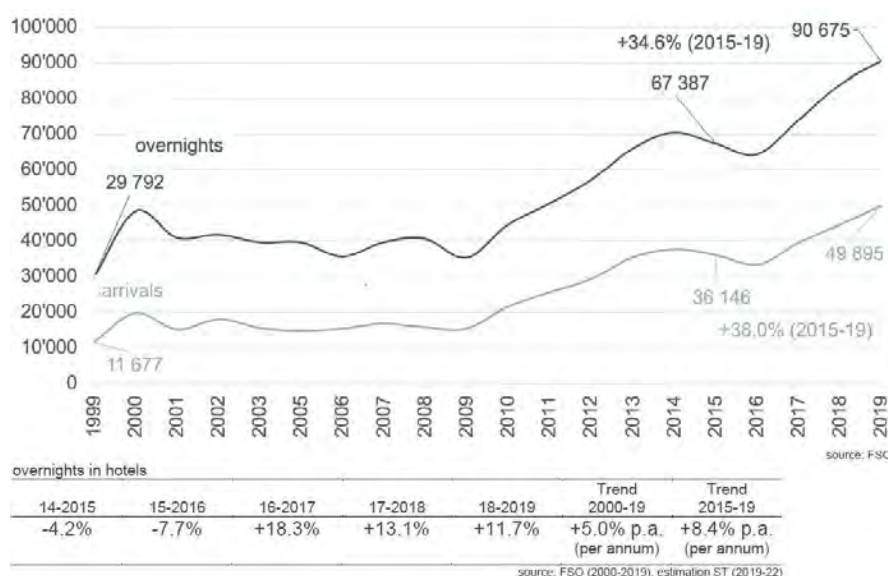
An increase in the growth rate of overnight stays of Malaysian tourists in Switzerland was expected for 2020 pre-pandemic, as interest in the leisure market and incentive market had shown positive demand from consumers and trade partners. Between January and February 2020, the number of Malaysian tourists in Switzerland was recorded at 4,820 visitors, with a total of 9,272 overnights; a growth of 3% from the same period in 2019.

Since 18 March 2020, the Movement Control Order with travelling restrictions has been imposed by the Malaysian government to combat COVID-19. The international borders of Malaysia remain closed except for those holding employment passes and Malaysians who are exiting the country for emergency, work and study purposes. Consequently, for the whole of 2020, Switzerland recorded a total of 6,072 Malaysian visitors with 12,738 overnights, a decline of 79.5% compared to 2019. On the other hand, Malaysia recorded a total of 5,263 tourist arrivals from Switzerland in 2020.

Due to the pandemic, many travel agents and tour operators have either scaled down their business structure, temporarily diversified their business direction or gone into hibernation mode. Air capacity was reduced tremendously up to October 2020, when airlines gradually resumed operations. Although there is no direct flight from Malaysia to Switzerland, the current outbound air capacity is supported by the strong presence of Middle Eastern airlines such as Emirates, Qatar Airways, Etihad Airways and Turkish Airlines, together with KLM.

Switzerland is still deemed one of the 'must visit' or 'dream' destinations for Malaysians. The desire to travel to Switzerland remains strong and had shown good indications of greater demand pending the lifting of the border closure. By organising webinars and on-line events, as well as collaborating with travel agents, tour operators and media on marketing projects, Switzerland Tourism has been playing an active role in Malaysia market to uphold Switzerland's presence as a preferred destination and to sustain the interest in travel to Switzerland.

Malaysian tourists in hotels in Switzerland (1999-2019):



Economic Structure

Gross Domestic Product (GDP) by type of economic activity at constant 2015 prices:¹³

Sectors	2020 ^p	2019	2020 ^p
Distribution of GDP	% of GDP	Annual change %	
Services	57.7	6.1	-5.5
Manufacturing	23.0	3.8	-2.6
Mining & Quarrying	6.8	-2.0	-10.0
Agriculture	7.4	2.0	-2.2
Construction	4.0	0.1	-19.4
Real GDP	100*	4.3	-5.6

^p= preliminary

* Figures may not necessarily add up due to rounding and exclusion of the import duties component.

Average Exchange Rate: USD / MYR:

2016: 4.148

2017: 4.300

2018: 4.035

2019: 4.143

2020: 4.202

¹³Annual Report of Central Bank of Malaysia 2019

Main economic data

	2020 ^p	2021 ^f	2022 ^f
GDP (USD bn)*	342.5	378.2	405.5
GDP per capita (USD)**	10'539	11'637	12'477
Growth rate (% of GDP)**	-6.0	6.5	6.0
Inflation rate (%) **	-1.1	2.0	2.0
Unemployment rate (%) **	4.5	3.8	3.6
Fiscal balance (% of GDP)**	-6.0	-5.4	-4.6
Current account balance (% of GDP)**	3.7	3.0	3.0
Total external debt (% of GDP)**	69.3	63.8	58.7
Debt-service ratio (% of exports)**	13.7	12.5	11.2
Reserves (months of imports)**	6.5	5.9	5.7

* Source: IMF, Article IV Consultation March 2021. The Department of Statistics provides Nominal GDP in local currency with benchmark year of 2015. Central Bank's average market exchange rate is used for currency conversions. Figures in projection for 2021 and 2022's GDP of MYR 1'561 billion and MYR 1'674 billion are converted to USD using 15 April 2021 exchange rate of 4.1280 by Central Bank of Malaysia.

** Source: IMF, Article IV Consultation March 2021

^p = preliminary

^f = forecast

Trade Partners: 2020**Malaysia (MY)**

Rank	Country	Exports from MY (USD billion)	Share %	Rank	Country	Imports to MY (USD billion)	Share %
1	China	37.7	16.2	1	China	40.7	21.5
2	Singapore	33.8	14.5	2	Singapore	17.5	9.3
3	USA	25.9	11.1	3	USA	16.5	8.7
4	Hong Kong	16.2	6.9	4	Japan	14.5	7.7
5	Japan	14.7	6.3	5	Taiwan	13.7	7.2
6	Thailand	10.8	4.6	6	South Korea	10.8	5.7
7	South Korea	8.2	3.5	7	Indonesia	8.7	4.6
8	Taiwan	8.1	3.5	8	Thailand	8.1	4.3
9	Vietnam	7.4	3.1	9	India	5.9	3.1
10	Indonesia	7.2	3.1	10	Germany	5.5	2.9
	Others	63.5	27.2		Others	47.4	25.0
Total		233.5	100	Total		189.5	100

Source: Malaysia External Trade Development Corporation (MATRADE)

Bilateral Trade

Entwicklung des bilateralen Warenhandels (Total 2)¹⁴

<i>Jahr</i>	<i>Exporte (CHF in Mio.)</i>	<i>JährlicheVeränderung (%)</i>	<i>Importe (CHF in Mio.)</i>	<i>JährlicheVeränderung (%)</i>	<i>Saldo (CHF in Mio.)</i>	<i>Volumen (CHF in Mio.)</i>	<i>JährlicheVeränderung (%)</i>
2012	704.2	-1.3	423.6	29.3	280.6	1'127.8	8.3
2013	724.1	2.8	504.4	19.1	219.7	1'228.5	8.9
2014	882.3	21.8	602.5	19.5	279.8	1'484.8	1.2
2015	770.8	-12.6	491.1	-18.5	279.7	1'261.9	-15.0
2016	755.5	-2.0	483.5	-1.5	272.0	1'239	-1.8
2017	741.3	-1.9	525.0	8.6	216.3	1'266	2.2
<i>(Total 1**)</i>							
2015	1'677	-4.1	621.1	-4.9	1'055.6	2'298	-4.3
2016	1'495	-10.9	949.3	52.8	545.7	2'444	6.3
2017	2'497	67.0	1'505	58.5	992	4'002	63.8
2018	2'316	-7.3	1'022	-32.1	1'294	3'338	-16.6
2019	1'387	-40.1	751.8	-26.4	635.6	2'139	-35.9
2020	1'169	-15.7	746.8	-0.7	422.3	1'916	-10.4

*) Ab dem 01.01.2012 hat die EZV die Berechnungsmethode für die Importe und Exporte geändert. Infolgedessen sind Vergleiche zwischen 2012 und den vorhergehenden Jahren nicht mehr möglich.¹⁵

**) Total "Konjunktursicht" (Total 1): ohne Gold in Barren und andere Edelmetalle, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten

***) Variation (%) gegenüber Vorjahresperiode

¹⁴Quelle: Eidgenössische Zollverwaltung EZV, Gesamttotal (Total 2): mit Gold in Barren und anderen Edelmetallen, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten.

¹⁵Importe: Verwendung des „**Ursprungslandprinzips**“ anstelle des „Erzeugungslandprinzips“. Das *Ursprungsland* bezeichnet jenes Land, in dem die Ware vollständig gewonnen oder überwiegend hergestellt wurde. Das *Erzeugungsland* bezeichnete hingegen das Land, in welchem ein Produkt vor der Einfuhr in der Schweiz im freien Verkehr war.

Exporte/Importe: Die **Aussenhandelszahlen werden mit Gold, Silber und Münzen**nach Ländern aufgeschlüsselt und als Bestandteil der Schweizer Aussenhandelsstatistik (Gesamttotal) in der online Datenbank [Swiss-Implex](#) integriert.

Aufteilung nach Produkten (Total 2)¹⁶

Exporte	2019		2020		
	Anteil	in Mio. CHF	Anteil	in Mio. CHF	Var. in %. 2020/2019
1. Edelsteine, Bijouterie	51.4	713.3	41.3	482.6	-32.3
2. Pharmazeutische Erzeugnisse	14.4	199.9	19.1	222.8	11.4
3. Maschinen	15.1	209.4	16.8	196.3	-6.2
4. Papier und Papierwaren	1.7	23.4	4.9	56.9	143.1
5. Uhren	5.7	78.5	4.4	51.8	-34.0
6. Opt./medizin. Instrumente	4.2	58.9	4.4	51.0	-13.3

Importe	2019		2020		
	Anteil	in Mio. CHF	Anteil	in Mio. CHF	Var. in % 2020/2019
1. Maschinen	47.3	356.1	53.3	398.0	11.8
2. Edelsteine, Bijouterie	25.1	188.4	15.3	114.6	-39.2
3. Kunststoffe, Kautschuk	6.3	47.3	9.7	72.1	52.4
4. Opt./medizin. Instrumente	8.9	67.1	9.5	70.9	5.8
5. Landwirtschaftliche Produkte	2.6	19.8	2.2	16.3	-18.0
6. Unedle Metalle und Waren daraus	2.3	17.3	1.7	13.0	-24.9

¹⁶Gesamttotal (Total 2): mit Gold in Barren und anderen Edelmetallen, Münzen, Edel- und Schmucksteinen sowie Kunstgegenständen und Antiquitäten (Eidgenössische Zollverwaltung)

Main Investing Countries in Malaysia

Approved manufacturing projects by MIDA with foreign participation by source:

Country	2019			2020			Total 1980 -2020		
	No. of projects	Employment	Investment (USD million)	No. of projects	Employment	Investment (USD million)	No. of projects	Employment	Investment (USD million)
USA	37	4'578	3'478	28	3'136	909	1'239	294'218	33'646
Japan	53	2'789	927	59	2'508	409	3'630	468'873	34'473
China	79	14'174	3'740	71	10'376	4'405	572	98'056	20'022
Singapore	118	9'297	1'372	120	9'080	2'191	4'837	551'863	22'150
Germany	22	534	207	8	171	293	622	68'649	12'919
South Korea	15	695	223	8	686	342	598	79'037	12'924
Netherlands	11	838	243	14	4'995	1'622	374	77'729	11'584
Taiwan	28	3'642	1'280	20	1'831	188	2'562	385'191	13'821
Australia	9	294	35	6	312	23	557	39'059	7'504
Hong Kong	24	2'959	289	27	4'093	727	803	155'975	6'836
United Kingdom	8	1'093	431	6	313	13	702	64'367	6'134
British Virgin Islands	6	4'723	474	12	2'460	1'363	108	18'229	3'921
Indonesia	3	87	10	2	70	13	180	33'574	4'135
Switzerland	2	113	31	9	727	685	227	23'265	3'953
France	5	400	63	4	111	18	177	18'252	3'401
Total			13'312			14'040			223'882

Source: Malaysian Investment Development Authority (MIDA)