
PRESS RELEASE

AMCHAM Highlights Impact of U.S. Commitment to Malaysia's Economic Growth

KUALA LUMPUR, March 11—The American Malaysian Chamber of Commerce (AMCHAM) today released the results of its biennial Economic Impact Survey (EIS), which reaffirms the significant impact U.S. companies have on the Malaysian economy. For over 50 years, U.S. investments in Malaysia have been instrumental in driving economic growth and promoting human capital development. Moreover, U.S. companies have announced a slate of new investments across the country that will considerably expand these efforts.

AMCHAM's Economic Impact Survey demonstrates the success of the policies and initiatives that drive economic activity. The 81 member companies that responded reported employing 148,778 individuals, of which 89% are Malaysians, and paying RM 11.7 billion in salaries. In addition to these salaries, AMCHAM members contributed to the future and security of their employees, paying RM1.3 billion towards the country's EPF and SOCSO.

U.S. companies continually seek to develop local talent and source from local companies, keeping supply chains shorter and deepening their resilience. As such, they actively nurture Malaysians to ensure they are equipped with not only technical and knowledge-based skills but also managerial and service-oriented skills, enabling them to be part of U.S. global value chains. These efforts contribute directly to the goals of the Malaysian government, which are to move up the value chain and create high-paying jobs for Malaysians.

Overcoming barriers of cost and infrastructure limitations, 76% of respondents have established internal skills and training programs in Malaysia. Additionally, 65% offer fully funded training initiatives, with 23% supporting co-funded programs. American companies play a pivotal role in shaping Malaysia's human capital landscape.

AMCHAM member companies have been highly resilient during these years of recovery. Around 57% have experienced increased revenue, and 63% anticipate growth in the coming year.

The Economic Impact Survey demonstrates how deeply integrated operations are with the local ecosystem. Manufacturers report a host of local suppliers supporting their operations in Malaysia, with 7291 relationships in contracts over RM100,000, valued at RM22.97 billion.

Additionally, the EIS shows Malaysia as an important hub for manufacturing, with 57% of manufacturing members being operationally linked to other ASEAN nations. Singapore, Thailand, and the Philippines see the most activity.

There is also a deepening commitment to Research and Development (R&D). 29% of manufacturers have this function within their local footprint and have invested over RM1.9

billion. Collectively, they account for four global, seven regional R&D centers, and 18 design centers.

The survey identified the challenges in digitalization faced by Malaysian companies, such as high costs, lack of government incentives, and supporting infrastructure. However, most companies have digitized around 70% of their business activities, with 15 completely digital. 54 out of 81 companies plan to incorporate AI within the next three years, indicating a positive trend toward digitalization in Malaysia.

Incorporating members' contributions in services into the survey provides an overview of American companies' involvement in various sectors of Malaysia's economy. The total capital investments in this sector were recorded at RM1.3bn, reflecting their commitment to investing in Malaysia's services sector, contributing to its growth and development.

Commenting on the Economic Impact Survey, which saw its inception when he was Minister of International Trade and Industry (MITI), Dato' Sri Mustapa bin Mohamed said, "U.S. investments, much of which have been in high tech and of high quality, have an ecosystem-wide impact on the long-term growth and competitiveness of Malaysia's economy. Speed, handholding, and continuous improvements in facilitation are imperative in a world where we've got to manage evolving supply chain, climate, and geopolitical risks."

"The EIS Survey provides further proof that Malaysia continues to be an excellent place for American companies to invest and do business in. I am looking forward to better alignment between the New Industrial Masterplan (NIMP) 2030, the National Energy Transition Roadmap (NETR), and the Johor Singapore Special Economic Zone (JSSEZ) and new and reinvestment opportunities by American companies in Malaysia as part of their regional and international strategies" said Dr Ong Kian Ming, Former MITI Deputy Minister and MIDA Board Member.

Underscoring the transformative positive impact of U.S. private sector investment, AMCHAM's CEO Siobhan Das said, "Working collaboratively with common goals in a trusted environment fosters mutual prosperity; this is how AMCHAM members continue to make a positive impact on the Malaysian economy. U.S. investments have laid a strong foundation and are critical for Malaysia's economic growth, job creation, and technological advancement. The Chamber plays an essential role in facilitating the success of American companies in Malaysia by continually looking to improve the operating environment for their members."

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ABOUT AMCHAM ...

The American Malaysian Chamber of Commerce (AMCHAM) was founded in 1978 as an international, non-profit, private-sector business association. It comprises more than 1600 members representing about 300 American, Malaysian and other international companies with



strong ties to American business. The Chamber is a member of the AmChams of Asia Pacific (AAP).

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