
PRESS RELEASE

Wednesday, September 4, 2019

AMCHAM Announces the Results of the Economic Impact Survey (E&E Sector)

KUALA LUMPUR, September 4, 2019 – The American Malaysian Chamber of Commerce (AMCHAM) and its Malaysian American Electronics Industry (MAEI) Committee is proud to release the results of the 12th Edition of our Economic Impact Survey (Electrical & Electronics Sector). The 2019 Economic Impact Survey captures the contribution from 37 American electrical & electronics businesses to the Malaysian economy encompassing FDI, job creation, knowledge transfer, and support for local SMEs.

Malaysia's E&E sector is well equipped to compete on the world stage; we today stand as the seventh-largest E&E exporter in the world. More than 100,000 jobs are created in Malaysia by the E&E members in our membership. These roles are heavily localized - a full 74% of companies surveyed have more than 90% of roles within their company filled by Malaysians. Many of these are in high-skilled specialized roles, demonstrating the commitment of our members to developing Malaysian talent.

Spending on R&D reached RM 4.89bn in 2018, demonstrating the ongoing commitment of U.S. companies to developing new technological solutions here in Malaysia. Malaysia supports four global R&D centers, four regional R&D and 14 R&D support centers. 2018 saw six new R&D initiatives and Centers of Excellence being brought to Malaysia.

Overall the industry showed a positive outlook with 68% of respondents indicating expected revenue growth and 77% anticipating a growth of investment over the next five years.

The most striking data point relates to the collective trade-in-goods surplus registered by our member companies, which stands at RM 130bn. Malaysia's *overall* trade surplus for 2018 was RM 120.27bn, suggesting that these 37 companies contribute largely to the difference between Malaysia recording a trade surplus or trade deficit.

The Survey also captures the ways in which American companies support the

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growth and development of local SMEs. Total spending on locally-sourced goods and services by our respondents amounted to RM18bn last year - on average, just one American MNC will have supply relationships worth at least RM100k per year with almost 250 local businesses. Half of the respondents had active vendor programs impacting around 135 local companies.

AMCHAM's MAEI Committee looks forward to enhancing our engagement with the Malaysian government on matters relating to trade and investment policies. Together we can ensure that Malaysia positions itself to continuously attract new product lines and higher value-added processes from our E&E manufacturers as well as from new market entrants looking for an internationally competitive investment location.

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ABOUT AMCHAM MALAYSIA

The American Malaysian Chamber of Commerce (AMCHAM) was founded in 1978 as an international, non-profit, private-sector business association. It comprises of more than 1000 members representing about 260 American, Malaysian and other international companies with strong ties to American business. The Chamber is a member of the AmChams of Asia Pacific.

About Malaysian American Electronics Industry [MAEI]

Malaysian American Electronics Industry [MAEI], an industry committee under AMCHAM, has the objective of highlighting the contributions of the American electronics industry to Malaysia and to engage the Government of Malaysia by proposing policies to enhance Malaysia's E&E sector.

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