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## Malaysia

### Export Opportunities in Malaysia

In 2016, Malaysia ranked 24th among U.S. export destinations and 24th among Virginia export destinations. Some of the top opportunities for U.S. exporters in Malaysia include:

- » Oil and Gas Equipment
- » Medical and Dental Healthcare
- » Water & Waste Water Technologies
- » Agricultural Sector
- » Education and Training
- » Pharmaceuticals
- » Information & Communications Technology

### Map of Malaysia



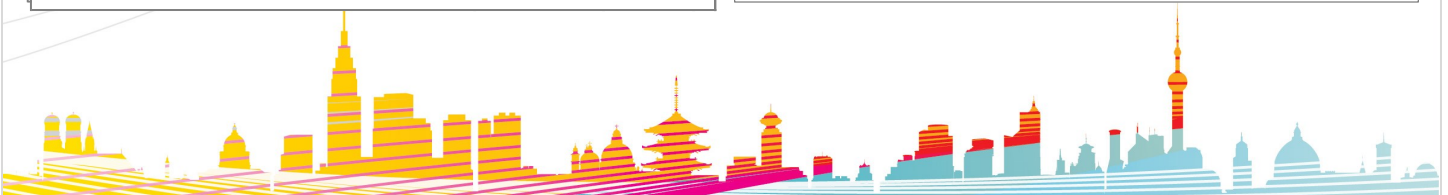
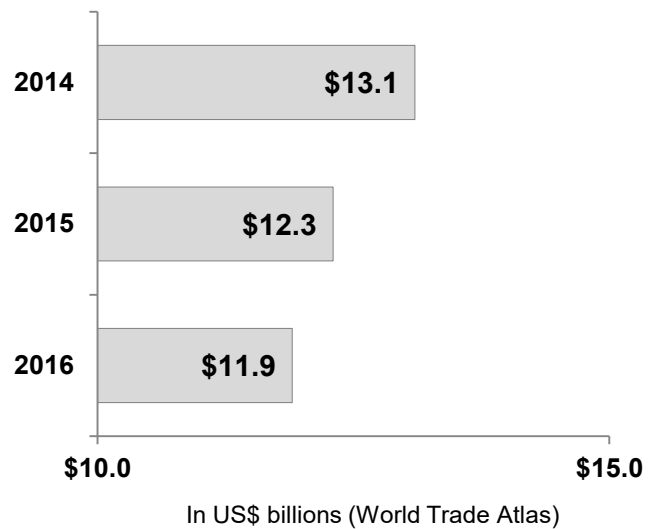
(U.S. Central Intelligence Agency)

### Top Virginia Exports to Malaysia

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 148.6	-3%
Electrical Machinery	\$ 66.5	41%
Tanning/Dyeing Extracts	\$ 16.2	21%
Fruits, Seeds, Grains	\$ 12.0	-15%
Paper & Paperboard	\$ 6.6	-37%
Aluminum	\$ 6.4	311%
Organic Chemicals	\$ 4.1	-74%
Industrial Machinery	\$ 3.8	-71%
Plastics	\$ 3.6	-48%
Fertilizers	\$ 3.4	-41%
Meat	\$ 3.4	223%

In US\$ millions (World Trade Atlas)

### U.S. Exports to Malaysia



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## Opportunities in Malaysia for Exporters

### Agricultural Sector

The Malaysian domestic agricultural sector is dominated by palm oil plantations. These account for 36 percent of Malaysia's agricultural Gross Domestic Product (GDP), followed by rubber at 8 percent, livestock at 12 percent, other agriculture products such as vegetables, fruits and food crops at 18 percent, forestry and logging at 11 percent and fishing at 15 percent. Although Malaysia has fertile land, it remains a net importer of agricultural products. The best prospects for U.S. agricultural sector exporters in Malaysia include:

- » Dairy Products
- » Temperate Fresh Fruits
- » Soybeans

### Oil and Gas Equipment

Malaysia is the world's second largest exporter of liquefied natural gas (LNG), and possesses the fourth largest oil reserves in Southeast Asia. Oil production in Malaysia's largest oil fields is in decline, prompting the government to encourage greater investment in enhanced oil recovery techniques for depleted fields, greater exploration in offshore deep-water, and development of marginal fields with lower production possibility. Top opportunities for U.S. oil and gas equipment exporters include:

- » Drilling and fishing tools
- » Pressure control equipment
- » Core completion products

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

### Pharmaceuticals

The pharmaceutical industry in Malaysia has shown tremendous growth over the last decade, consistently increasing 8 to 10 percent annually. The market is based on a strong domestic generic sector and imports of branded and patented medicines. According to the Drug Control Authority (DCA) of the Ministry of Health Malaysia, a total of 264 pharmaceutical manufacturers with good Manufacturing Practices (GMP) certification have registered with the DCA. The best prospects for U.S. exporters in Malaysia include:

- » Diabetes Medicine
- » Health Supplements

### Medical and Dental Healthcare

The Malaysian Ministry of Health manages the national healthcare program which is responsible for roughly 90% of the health expenditures in Malaysia. The Malaysian healthcare program offers all services Malaysian citizens need for small co-pay in public facilities. One of the Government of Malaysia (GOM) goals is to transform the healthcare delivery system to improve quality, efficiency and affordability. Top prospects include:

- » Dental equipment and services
- » Dental chairs
- » X-ray and 3D imaging equipment
- » Clinical computer systems

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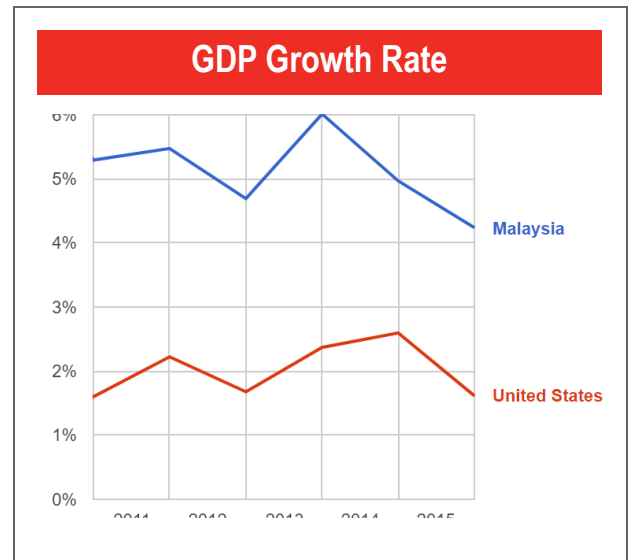


## Economic Overview

Malaysia, a middle-income country, has transformed itself since the 1970s from a producer of raw materials into an emerging multi-sector economy. Under current Prime Minister Najib, Malaysia is attempting to achieve high-income status by 2020 and move farther up the value-added production chain by attracting investments on Islamic finance, high technology industries, bio technology, and services.

The Najib administration is continuing efforts to boost domestic demand and reduce the economy's dependence on exports. Nevertheless, exports - particularly of electronics, oil and gas, and rubber - remain a significant driver of the economy. Gross exports of goods and services constitute more than 80% of GDP. The oil and gas sector supplied about 29% of government revenue in 2014. Malaysia is a member of the twelve nation Trans-Pacific Partnership free trade agreement negotiations and, with the nine other ASEAN members, will form the ASEAN Economic Community in 2015.

(U.S. Central Intelligence Agency)



## Cultural Guide

- » If in a team, introduce the most important person first. Many Malays and Indians are uncomfortable shaking hands with a member of the opposite sex. Foreign men should wait for a Malaysian woman to extend her hand. Foreign women should also wait for a Malaysian man to extend his hand.
- » The use of professional and honorific titles are important. Malays and Indians use these titles with their first names, while Chinese use titles with their surnames.
- » If exchanging business cards with government officials, print one side of the card translated into Bahasa Malaysia. If meeting with Chinese business people, have one side of the card translated into Chinese and characters printed in gold.
- » In a meeting, many companies will seat their team in descending rank. The most senior Malaysian will often provide a brief welcoming speech. The other party is not expected to reciprocate.
- » At the first meeting between two companies, Malaysians will generally not get into in-depth discussions. They prefer to use the first meeting as an opportunity to get to know the other side and build a rapport, which is essential in this consensus-driven culture.

**Malaysians rely on non-verbal communication, such as body language and tone of voice.**

(United Kingdom Trade & Investment)

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: [ExportVirginia.org](http://ExportVirginia.org)

## Additional Resources: Market Reports

[Malaysia Country Commercial Guide](#)

[Doing Business in Malaysia](#)

[Ease of Doing Business Report](#)

[Exporting to Malaysia](#)

U.S. Commercial Service

Export.gov

World Bank

United Kingdom Trade & Investment

## Online Resources

[Malaysia Overview](#)

[Kwintessential Malaysia](#)

Global Edge - Michigan State University

Kwintessential Guide to Malaysia

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