Plenary Session II

Overview & Introduction on Kedah State, Malaysia

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Senior Kedah State Executive Council Member
Chairman for Industry & Investment, Domestic Trade, Cooperatives,
Consumer Affairs & IMT-GT

“Kedah, Your Ultimate Profit Centre”
• Kedah is one of the 13 states in Malaysia

• Located in the northwestern part of Peninsular Malaysia

• Land size = 9,426 km² (Malaysia = 329,758 square kilometers).

• Kedah consists of 13 districts.
Almu'tasimu Billahi Muhibbuddin Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah, is the 14th and current Yang di-Pertuan Agong (supreme head of state) of Malaysia, as well as the 27th and current Sultan of Kedah.

Menara Alor Setar - 2nd tallest tower in Malaysia
A Brief History of Kedah

- Known in the early days as Kedaram, Kidaram, Kalagam and Kataha by the Tamils, and Kalah or Kalaha by the Persians
- Oldest civilisation in South-East Asia
- Started at Bujang Valley (Lembah Batu) (110 AD)
- Known as the "Rice Bowl of Malaysia", (240,000 hectares)
- 35% of overall national foods demand
POPULATION

2015

Malaysia: 31.12 m.
Kuala Lumpur: 1.67 m.
Kedah: 2.1 m.
# ECONOMIC GROSS DOMESTIC PRODUCT - KEDAH

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP at constant 2005 prices (Million)</td>
<td>¥584,486 RM21,998</td>
<td>¥634,039 RM23,863</td>
<td>¥830,073 RM31,241</td>
<td>¥870,300 RM32,755&lt;sup&gt;e&lt;/sup&gt;</td>
<td>¥907,073 RM34,139&lt;sup&gt;p&lt;/sup&gt;</td>
</tr>
<tr>
<td>GDP per capita at current prices (Million)</td>
<td>¥365,178 RM13,744</td>
<td>¥408,859 RM15,388</td>
<td>¥427,458 RM16,088</td>
<td>¥441,832 RM16,629&lt;sup&gt;e&lt;/sup&gt;</td>
<td>¥460,219 RM17,321&lt;sup&gt;p&lt;/sup&gt;</td>
</tr>
<tr>
<td>GDP Growth (%)</td>
<td>4.3</td>
<td>8.5</td>
<td>5.6</td>
<td>4.8&lt;sup&gt;e&lt;/sup&gt;</td>
<td>4.2&lt;sup&gt;p&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>e</sup> – Estimate  
<sup>p</sup> – Preliminary  

Source: Department of Statistics, Malaysia  
Rates: 1 MYR = ¥ 26.57 (18/1/2016)
### GDP BY SECTOR IN KEDAH

<table>
<thead>
<tr>
<th>Year</th>
<th>Construction</th>
<th>Agriculture</th>
<th>Mining</th>
<th>Manufacturing</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2.5</td>
<td>12.4</td>
<td>0.1</td>
<td>30.2</td>
<td>54.3</td>
</tr>
<tr>
<td>2011</td>
<td>2.3</td>
<td>12.4</td>
<td>0.1</td>
<td>30.8</td>
<td>53.8</td>
</tr>
<tr>
<td>2012</td>
<td>2.4</td>
<td>11.9</td>
<td>0.8</td>
<td>31.1</td>
<td>53.9</td>
</tr>
<tr>
<td>2013</td>
<td>2.1</td>
<td>11.9</td>
<td>0.1</td>
<td>30.4</td>
<td>54.9</td>
</tr>
<tr>
<td>2014</td>
<td>1.6</td>
<td>14.5</td>
<td>0.1</td>
<td>29.6</td>
<td>53.5</td>
</tr>
</tbody>
</table>
ASEAN Member Countries

ASEAN Community
A highly Competitive Economic Region

With a combined GDP of $2.6 trillion in 2014, ASEAN was the 7th largest in the world and the 3rd largest in Asia.

ASEAN Trade
A more integrated Market

Total trade increased by nearly $1 trillion. Between 2007 and 2014, with intra-ASEAN Trade comprising the largest share of ASEAN’s total trade by partner.

ASEAN FDI
A world class Investment Destination

ASEAN attracted $136 trillion in FDI 2014, accounting for 11% of global FDI inflows, up from 5% in 2007.

ASEAN Population
A fully integrated community

In 2014, ASEAN was the 3rd largest market in the world, with 622 million people, behind only China and India.

ASEAN Connectivity
A more connected community

Annual tourist arrival were up from 62 million in 2007 to 105 million in 2014, almost half of which were intra-ASEAN.

The rate of internet subscription more than doubled from 11.8 per 100 inhabitants in 2007 to 28.6 in 2014.
Malaysia Concluded FTA-AFTA

- Potential market of 600 million in ASEAN
- Already zero tariffs for 99% of products
- ASEAN Economic Community and Single Market by 2015
Malaysia Overview

**Rankings**

**Top 10** Foreign Direct Investment (FDI) hotspots in Asia Pacific (2015)

IMD World Competitiveness Yearbook 2015, ranked **14** out of 61 countries


CIA World Factbook: Labor force - by occupation - industry(%) (2014), ranked **36** out of 167 countries

Malaysia is World’s **8th** most efficient government (2015)
Strategically located within the IMT-GT to accelerate the economic growth of 3 nations (Indonesia, Malaysia and Thailand)

The IMT-GT covers an area of 569,652 sq km

Population of approximately 67.7 million.
It includes
10 provinces of the island of Sumatera
8 Peninsular Malaysian states
8 provinces of southern Thailand
<table>
<thead>
<tr>
<th>Year</th>
<th>Master Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1975-1990</td>
<td>Kedah Perlis Development Study</td>
</tr>
<tr>
<td>1990 - 1999</td>
<td>Kedah Development Action Plan</td>
</tr>
<tr>
<td>2000 - 2010</td>
<td>Kedah Maju 2010 Action Plan</td>
</tr>
<tr>
<td>2010 - 2015</td>
<td>Kedah Sejahtera Strategic Plan</td>
</tr>
<tr>
<td>2013-2018</td>
<td>Kedah Transformation Plan</td>
</tr>
</tbody>
</table>

Other Plans

- Integrated Agricultural Development Projects (IADP)
- Master Plan Kulim Hi-Tech Industrial Park
- Langkawi Tourism Blueprint (Tourism)
- Study on Industrial Master Plan for Kedah, Malaysia by JETRO
### Realised Investment in the Manufacturing Sector by Major Countries in Kedah, (2015)

<table>
<thead>
<tr>
<th>No.</th>
<th>Country</th>
<th>Investment (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Japan</td>
<td>754,764,363</td>
</tr>
<tr>
<td>2.</td>
<td>Taiwan</td>
<td>88,459,661</td>
</tr>
<tr>
<td>3.</td>
<td>Korea</td>
<td>17,316,090</td>
</tr>
<tr>
<td>4.</td>
<td>Singapore</td>
<td>5,210,276</td>
</tr>
<tr>
<td>5.</td>
<td>United States</td>
<td>7,168,715</td>
</tr>
<tr>
<td>6.</td>
<td>Canada</td>
<td>5,000,000</td>
</tr>
<tr>
<td>7.</td>
<td>Germany</td>
<td>2,786,636</td>
</tr>
<tr>
<td>8.</td>
<td>Australia</td>
<td>305,266</td>
</tr>
<tr>
<td>9.</td>
<td>Hong Kong</td>
<td>305,266</td>
</tr>
<tr>
<td>10.</td>
<td>China</td>
<td>305,266</td>
</tr>
</tbody>
</table>
JAPAN INVESTMENT IN KEDAH

- Fuji Electric
- Panasonic
- FUJIMI
- SHARP
- SHIMIZU
- CELESTICA
- MTM
- Asahi
- maica
- HAMADA
- yokowo
- WONG ENGINEERING Group Of Companies
- Echolac
- Minebea
- MAZDA
KEDAH-JAPAN COLLABORATIONS

- The Japan International Cooperation Agency (JICA) was commissioned to prepare a detailed development plan for Kulim Hi-Tech Park (KHTP).
- Halal Japanese food (*mochi*) with Kedah State Development Corporation

- Study on Industrial Master Plan for Kedah, Malaysia

- Regional Development Support Program PPP Applicability Study for the State of Kedah
### Tourism

#### Tourist Arrivals in Langkawi Island 2011-2014

<table>
<thead>
<tr>
<th>YEAR</th>
<th>JETTY TERMINAL</th>
<th>CRUISE</th>
<th>YACHT</th>
<th>AIRPORT</th>
<th>LANGKAWI PORT</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DOMESTIC</td>
<td>INTERNATIONAL</td>
<td></td>
<td>DOMESTIC</td>
<td>INTERNATIONAL</td>
<td>CAR PASSENGER FERRY</td>
</tr>
<tr>
<td>2011</td>
<td>1,909,254</td>
<td>118,386</td>
<td>35,228</td>
<td>681,085</td>
<td>71,297</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>2,114,290</td>
<td>109,679</td>
<td>68,157</td>
<td>703,130</td>
<td>63,814</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>2,175,495</td>
<td>137,044</td>
<td>140,896</td>
<td>878,313</td>
<td>77,223</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>2,177,701</td>
<td>132,355</td>
<td>158,546</td>
<td>1,019,435</td>
<td>85,830</td>
<td>20,914</td>
</tr>
</tbody>
</table>

Source: Langkawi Development Authority (LADA)

#### Tourist Arrivals in Kedah 2011-2014

<table>
<thead>
<tr>
<th>YEAR</th>
<th>MAIN LAND</th>
<th>LANGKAWI ISLAND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DOMESTIC</td>
<td>FOREIGN</td>
<td>TOTAL</td>
</tr>
<tr>
<td>2011</td>
<td>664,923</td>
<td>116,260</td>
<td>781,183</td>
</tr>
<tr>
<td>2012</td>
<td>656,551</td>
<td>98,127</td>
<td>754,678</td>
</tr>
<tr>
<td>2013</td>
<td>809,641</td>
<td>28,388</td>
<td>838,029</td>
</tr>
<tr>
<td>2014</td>
<td>1,058,347</td>
<td>52,116</td>
<td>1,110,463</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism and Culture Malaysia (MOTAC), Kedah Darul Aman
LOGISTICS & TRANSPORTATIONS

- **2 Airports**
  - Alor Setar
  - Langkawi

- **Ferry Service**
  - Kuala Kedah - Kuah

- **Railway**
  - Electric Train Service (ETS)
  - Inter City

- **Highway**
  - North South Highway
  - Butterworth Kulim Express

- **Bus & Taxi Service**
  - Local & Intercity
INVESTMENT OPPORTUNITIES

Investors are welcome to invest in:

- Automotive / Transportation – Related Industry
- High-Tech Manufacturing; Research, Design and Development
- Hi-Technology
- Bio-Technology
- Agro & Aquaculture
- Manufacturing
- Tourism
- Oil & Gas
- Halal Food Hub
WHY KEDAH?

Kedah: A Preferred Choice

- Political and economic STABILITY
- Government committed to maintain a BUSINESS FRIENDLY environment.
- LOWER cost of operation.
- LOWER cost of living.
- PRODUCTIVE and MULTI-LINGUAL workforce.
- FAST approval to set up business
- EXCELLENT infrastructure.
- Financial FACILITIES
- MARKET oriented economy.
- COMPETITIVE and COST EFFECTIVE investment environment.
- COMPETITIVE industrial land.
ありがとうございます
Arigatou Gozaimasu