



Malaysia

List of Promoted Activities & Products

Effective from 2 March 2012

DEZAN SHIRA & ASSOCIATES

Corporate Establishment, Tax, Accounting & Payroll Throughout Asia

This document was downloaded from ASEAN Briefing (www.aseanbriefing.com) and was compiled by the tax experts at Dezan Shira & Associates (www.dezshira.com).

Dezan Shira & Associates is a specialist foreign direct investment practice, providing corporate establishment, business advisory, tax advisory and compliance, accounting, payroll, due diligence and financial review services to multinationals investing in emerging Asia.

**LIST OF PROMOTED ACTIVITIES & PRODUCTS WHICH ARE ELIGIBLE FOR
CONSIDERATION OF PIONEER STATUS AND INVESTMENT TAX ALLOWANCE
UNDER THE PROMOTION OF INVESTMENT ACT 1986**

(Effective 2 March 2012)

GENERAL LIST

NO	PROMOTED PRODUCT / ACTIVITY
I	Agricultural production
1.	Floriculture
II	Processing of agricultural produce
1.	Chocolate and chocolate confectionery
2.	Vegetables, tubers or roots & fruits
3.	Livestock products
4.	Agricultural waste or agricultural by-products
5.	Aquatic products
6.	Aquaculture feed
7.	Plant extracts for pharmaceutical, perfumery, cosmetic or food industries and essentials oils
8.	Food Supplements
9.	Additives, flavours, colouring and functional ingredients
III	Manufacture of rubber products
1.	Tyres for earthmover, agricultural vehicles, industries vehicles, commercial vehicles, motorcycle and aircraft.
2.	Latex products:
	a) Safety or special function gloves
3.	Dry rubber products
	a) Beltings
	b) Hoses, pipes and tubings
	c) Rubber profiles
	d) Seals, gaskets, washers, packings, rings and rubber linings
	e) Anti-vibration, damping and sound insulation products
IV	Manufacture of palm oil products and their derivatives
1.	Oleochemicals or oleochemical derivatives or preparations
2.	Palm based nutraceuticals, constituents of palm oil or palm kernel oil
3.	Palm-based food products and ingredients
	a. Specialty animal fat replacer
	b. Palm-based mayonnaise and salad dressing
	c. Milk or coconut powder substitute
	d. Red palm oil and related products
	e. Palm-based food ingredient
	f. Modified (interesterified) palm oil and palm kernel oil products
	g. Margarine, vanaspati, shortening or other manufactured fat products
	h. Cocoa butter replacers, cocoa butter substitutes, cocoa butter equivalent, palm mid fraction or special olein
4.	Processed products from:
	a. Palm kernel cake
	b. Palm oil mill effluent
	c. Palm biomass
V	Manufacture of chemicals and petrochemicals
1.	Chemical derivatives or preparations from organic or inorganic sources
2.	Petrochemical products
VI	Manufacture of pharmaceutical and related products
1.	Pharmaceuticals or Biopharmaceuticals
2.	Nutraceuticals

NO	PROMOTED PRODUCT / ACTIVITY
3.	Microbials and probiotics
VII	Manufacture of wood-based products
1.	Design, development and production of wooden furniture
2.	Engineered wood products excluding plywood
VIII	Manufacture of pulp, paper and paperboard
1.	Corrugated medium paper, testliner or kraftliner or kraft paper and paperboard
IX	Manufacture of kenaf-based products
1.	Kenaf based products such as animal, feed, kenaf particle or fibre, reconstituted panel board or products (such as particleboard, Medium Density Fibreboard) and moulded products
X	Manufacture of textiles and textile products
1.	Natural or man-made fibres
2.	Yarn of natural or man-made fibres
3.	Woven fabrics
4.	Knitted fabrics
5.	Non-woven fabrics
6.	Finishing of fabrics such as bleaching, dyeing and printing
7.	Specialised Apparel
8.	Technical or functional textiles and textile products
XI	Manufacture of clay-based, sand-based and other non-metallic mineral products
1.	High alumina or basic refractories
2.	Laboratory, chemical or industrial wares
3.	Synthetic diamonds
4.	Crystallised or moulded glass such as bricks, tiles, slabs, pellets, paving blocks and squares
5.	Absorbent mineral clay
6.	Marble and granite products
7.	Panels, boards, tiles, blocks or similar articles of natural and synthetic fiber agglomerated with cement, plaster or other mineral binding substance
XII	Manufacture of iron and steel
1.	Blooms or slabs of steel
2.	Shapes or sections of steel of height more than 200 mm
3.	Plates, sheets, coils, hoops or strips of steel:
	a) Hot rolled
	b) Cold rolled or cold reduced
4.	Seamless steel pipes
5.	Ferromanganese, silicon manganese or ferrosilicon
6.	Electrolytic galvanised steel sheet in coil
XIII	Manufacture of non-ferrous metal and their products
1.	Primary ingots, billets or slabs of non-ferrous metals other than tin metals
2.	Bars, rods, shapes or sections of non-ferrous metals except EC copper rods
3.	Plates, sheets, coils, hoops or strips of non-ferrous metals
4.	Pipes or tubes of non-ferrous metals
5.	Aluminium composite panel
XIV	Manufacture of machinery and machinery components
1.	Specialised machinery or equipment for specific industry
2.	Power generating machinery or equipment
3.	General industrial machinery or equipment
4.	Modules for machinery or equipment and industrial parts or components
5.	Metalworking machinery or equipment
6.	Upgrading or reconditioning of machinery or equipment including heavy machinery

NO	PROMOTED PRODUCT / ACTIVITY
XV	Supporting products or services
1. 2. 3. 4. 5. 6.	Metal castings Metal forgings Surface engineering Machining, jigs and fixtures Moulds, tools and dies Heat treatment
XVI	Manufacture of electrical and electronics products and component, parts thereof and related services
1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	Semiconductor: a) Wafer fabrication b) Semiconductor assembly c) Semiconductor components and parts: i) advanced substrates ii) solder materials iii) bond pads d) Semiconductor tools i) wafer carriers ii) integrated circuit (IC) carriers iii) photomask and mask blank e) Semiconductor related services i) diesor wafer level preparation ii) Integrated circuit (IC) testing iii) wafer probing or sorting iv) wafer bumping 2. Advanced display products and parts a) advanced display products b) advanced display modules c) backlighting systems 3. Information and Communication Technology (ICT) products, systems or devices a) digital convergence products or devices b) data storage systems or devices 4. Digital entertainment or Infotainment products a) Digital TV b) Digital home theatre system or products thereof c) Digital audio or video or image recorders or players 5. Optoelectronic equipment, systems, devices or components a) Photonics devices or components b) Optoelectronics equipment or systems, devices or components c) Optical fibres or optical fibre products 6. Electronic tracking or security systems or devices a) Voice or pattern or vision recognition or synthesis equipments or systems or devices b) Electronic navigational and tracking equipment or systems or devices c) Radio frequency identification (RFID) systems or devices 7. Electronic components a) Multilayer or flexible printed circuit boards b) Advanced connectors 8. Alternative energy equipment, products, systems , devices or components a) Solar cells or panels or module or systems b) Rechargeable batteries or storage systems c) Fuel cells 9. Energy saving lighting 10. Electrical products: a) Uninterruptible power supplies b) Inverters or converters

NO	PROMOTED PRODUCT / ACTIVITY
XVII	Manufacture of professional, medical, scientific and measuring devices or parts
1.	Medical, surgical, dental or veterinary devices or equipment and parts or components/accessories thereof
2.	Testing, measuring or laboratory equipment or apparatus
XVIII	Manufacture of plastic products
1.	Specialised plastic films or sheets
2.	Geosystems products
3.	Engineering plastic products
4.	Products moulded under clean room conditions
5.	Biopolymers or products thereof
XIX	Protective equipment and devices
1.	Coated or knitted safety gloves
2.	Advance ballistic protection glass
3.	Fall protection equipment
XX	Manufacturing related services
1.	Integrated logistics services
2.	Cold chain facilities and service for food products
3.	Gas and radiation sterilisation services
4.	Environmental management: <ul style="list-style-type: none"> a) Recycling of waste such as: <ul style="list-style-type: none"> i) toxic and non- toxic waste ii) chemicals iii) reclaimed rubber
5.	Industrial design services
XXI	Hotel business and tourism industry
1.	Establishment of medium and low-cost hotels (up to a three-star hotel)
2.	Establishment of 4 and 5 stars hotel
3.	Expansion or modernisation of existing hotels
4.	Establishment of tourism projects
5.	Expansion or modernisation of tourism projects
6.	Establishment of recreational camps
7.	Establishment of convention centres
XXII	Miscellaneous
1.	Sports goods or equipment
2.	Jewellery of precious metal
3.	Costume jewellery
4.	Biodegradable disposable packaging products and household wares

**LIST OF PROMOTED ACTIVITIES & PRODUCTS FOR
HIGH TECHNOLOGIES COMPANIES WHICH ARE ELIGIBLE FOR CONSIDERATION OF
PIONEER STATUS AND INVESTMENT TAX ALLOWANCE
UNDER THE PROMOTION OF INVESTMENT ACT 1986**

Effective 2 March 2012

NO	ACTIVITY / PRODUCT
I.	Design, development and manufacture of advanced electronics and computing
1.	Design, development and manufacture of:
	a) High-density modules or systems
	b) Advanced display
	c) Advanced semiconductor devices
	d) Advanced connectors
	e) Data storage devices or systems
	f) Advanced substrates
	g) Information and telecommunication products, systems or devices
	h) Digital entertainment or infotainment products
	i) Optoelectronic equipment, systems or devices
	j) Electronic security and surveillance systems or devices
	k) Electronic machines, equipment, system or devices
	l) Advanced electronic components
II.	Professional, medical, scientific and measuring devices or parts
1.	Design, development and manufacture of:
	a) Medical equipment, parts or components
	b) Medical implant, medical devices, parts or components
	c) Testing, measuring or laboratory equipment or apparatus
III.	Biotechnology
1.	Development, testing and manufacture of:
	a) pharmaceuticals
	b) fine chemicals
	c) biodiagnostics
IV.	Advanced materials
1.	Development and manufacture of:

NO	ACTIVITY / PRODUCT
	a) polymers or biopolymers
	b) fine ceramics or advanced ceramics
	c) high strength composites
2.	Nano particles and their formulations thereof
V.	Alternative energy technology
1.	Design, development and manufacture of products, equipments, systems , devices or components for use in alternative energy sectors
VI.	Iron and Steel
1.	Super fine wire of diameter 2.0 mm and below

**LIST OF PROMOTED ACTIVITIES & PRODUCTS FOR
SMALL SCALE COMPANIES WHICH ARE ELIGIBLE FOR CONSIDERATION OF
PIONEER STATUS AND INVESTMENT TAX ALLOWANCE
UNDER THE PROMOTION OF INVESTMENT ACT 1986**

(Effective 2 March 2012)

NO	PROMOTED ACTIVITY / PRODUCT
I	Agricultural activities
1.	Aquaculture
2.	Apiculture
II	Processing of agricultural produce
1.	Coffee
2.	Tea
3.	Fruits
4.	Vegetables
5.	Herbs or spices
6.	Cocoa and cocoa products
7.	Coconut products except copra and crude coconut oil
8.	Starch and starch products
9.	Cereal products
10.	Sugar and confectionary products
11.	Plant extracts
12.	Apiculture products
13.	Animal feed ingredients
14.	Agricultural waste and by-products
III	Forestry products
1.	Rattan products (excluding pole, peel and split)
2.	Bamboo products
3.	Other forestry products
IV	Manufacture of rubber products
1.	Moulded rubber products
2.	Extruded rubber products
3.	General rubber goods
V	Manufacture of oil palm products and their derivatives
1.	Processed products from palm oil
2.	Processed products from palm biomass/ waste/by-products

NO	PROMOTED ACTIVITY / PRODUCT
VI	Manufacture of chemicals and pharmaceuticals
1.	Pigment preparation, dispersions and specialty coatings
2.	Desiccant
3.	Bio-resin (biopolymer)
4.	Inkjet inks
VII	Manufacture of wood and wood products
1.	Decorative panel boards (excluding plain plywood)
2.	Timber mouldings
3.	Builders' carpentry and joinery
4.	Products derived from utilisation of wood waste (e.g. activated charcoal, wooden briquettes, wood wool)
5.	Wooden household and office articles
VIII	Manufacture of paper and paperboard products
1.	Moulded paper products
IX	Manufacture of textiles and textile products
1.	Batik or songket or pua
2.	Accessories for the textile industry
X	Manufacture of clay-based and sand-based products and other non-metallic mineral products
1.	Artware, ornaments and articles of ceramic or glass
2.	Abrasive products for grinding, polishing and sharpening
XI	Manufacture of iron and steel products, non-ferrous metals and their products
1.	Wire and wire products
2.	Fabricated products
XII	Supporting products and services
1.	Metal Stamping
2.	Industrial seals or seal materials
XIII	Manufacture of transport components parts and accessories
1.	Transport components, parts and accessories
XIV	Manufacture of parts and components for machinery and equipment
1.	Parts and components for machinery and equipment
XV	Manufacture of electrical and electronic products, components and parts thereof
1.	Consumer electrical products, parts and components
2.	Consumer electronic products, parts and components
3.	Industrial electrical products, parts and components
4.	Industrial electronic products, parts and components

NO	PROMOTED ACTIVITY / PRODUCT
XVI	Manufacture of furniture, parts and components
1.	Furniture, parts and components
XVII	Manufacture of games and Accessories (1 product)
1.	Games and accessories
XVIII	Manufacture of souvenirs (1 product)
1.	Souvenirs, giftwares and decorative wares
XIV	Manufacture of plastic products (2 products)
1.	Decorative panels and ornaments
2.	Epoxy encapsulation moulding compound

**LIST OF PROMOTED ACTIVITIES & PRODUCTS FOR
SELECTED INDUSTRIES WHICH ARE ELIGIBLE FOR CONSIDERATION OF PIONEER
STATUS AND INVESTMENT TAX ALLOWANCE UNDER THE
PROMOTION OF INVESTMENT ACT 1986**

Effective 2 March 2012

NO.	ACTIVITY/PRODUCT
I.	Machinery and equipment
1.	Machine tools
2.	Material handling equipment
3.	Robotic and factory automation equipment
4.	Modules and components for machine tools, material handling equipment and robotic and factory automation equipment
II.	Specialised machinery and equipment
1.	Specialised process machinery or equipment for specific industry
2.	Packaging machinery
3.	Modules and components for specialised process machinery or equipment for specific industry and packaging machinery
III.	Oil palm biomass
1.	Utilisation of oil palm biomass to produce value added products
IV.	Renewable energy
1.	Generation of renewable energy
V.	Conservation of energy
1.	Conservation of energy

**LIST OF PROMOTED ACTIVITIES AND PRODUCTS FOR REINVESTMENTS
UNDER THE PROMOTION OF INVESTMENT ACT 1986**

Effective 2 March 2012

NO.	PRODUCT/ ACTIVITIES
I.	Resource-based
1.	a) Rubber b) Oil palm c) Wood
II.	Food processing
1.	Food processing activity
III.	Research and development
1.	Research and development Activity
IV.	Hotel business and tourism industry
1.	Hotel business and tourism activity
V.	Oil palm biomass
1.	Utilisation of oil palm biomass to produce value added products
VI.	Cold-chain facilities and services
1.	Provision of cold-chain facilities and services for perishable agriculture produce (fruits, vegetables, flowers, ferns, meat and aquatic products)