

Investment:

According to the Malaysia Industrial Development Authority (MIDA), Canada is thirteenth in terms of the value of its investments in Malaysian firms. The majority of all foreign investment in Malaysian companies comes from Japan, Taiwan, the United Kingdom, and Singapore.

Canada's presence, through joint ventures or other forms of investment however, continues to increase. There are approximately 40 signed agreements involving Canadian firms in the manufacturing and service sectors. (A sample listing of Canadian joint venture activity in Malaysia is included in Appendix A). Three major Canadian investors in Malaysia include Bata Shoes, Alcan Aluminum Ltd. and Northern Telecom. A Canadian adviser within MIDA is responsible for promoting joint ventures between Canadian and Malaysian firms.

Canada's presence is expected to grow through the assistance of the CIDA sponsored Enterprise Malaysia Canada Project (EMC). EMC has been established to promote the transfer of Canadian technology and expertise to Malaysia through joint ventures and other cooperative endeavours between the private sectors of both countries.

Two arrangements are in place to facilitate Canada-Malaysia investment relations: an exchange of notes to promote and protect Canadian investment in Malaysia (FIIA) and an agreement to avoid double taxation.

3.3 Export Marketing Efforts

A number of trade promotion programs and activities provide ongoing support to Canadian exporters and investors pursuing opportunities in Malaysia. These include market studies, trade missions and the establishment of linkages between business communities in both countries.

A number of federal, provincial and private sector missions have been organized in support of Canadian trade interests in Malaysia. A total of 28 missions took place during the fiscal year 1990/91. The provinces of Alberta, Ontario, Quebec, Saskatchewan and British Columbia were most actively involved in these missions, which were sometimes led at the ministerial level. During the same period, the Canadian High Commission in Kuala Lumpur provided assistance to over 860 business visitors interested in export opportunities or joint venture prospects.

The Program for Export Market Development (PEMD) is designed to stimulate economic growth in Canada through increased export sales of Canadian goods and services. PEMD is widely used by Canadian businesses interested in the Malaysian market. Since 1980, over \$3.1 million has been spent on 461 approved projects. The sales reported as a result of PEMD grants have totalled in excess of \$608 million since the inception of the program in the early 1970s.

A number of market surveys have been conducted on specific sectors in Malaysia to provide Canadian exporters of equipment and services with