

## CANADIAN INVESTMENT IN MALAYSIA

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Canada's net direct investment in Malaysia in 1994 totalled C\$354 million, triple that of 1993. According to the Malaysia Industrial Development Authority (MIDA), Canada ranks 13th among foreign investors 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.

Canadian manufacturing presence is well-established in Malaysia; early investment was established more than 30 years ago. The various forms of Canadian investment range from joint ventures and technology and management agreements to wholly-owned subsidiaries. There are about 40 signed agreements involving Canadian firms in the manufacturing and service sectors. The most important Canadian investments in manufacturing are in electronics, textiles and footwear, and base metals; smaller investments include chemicals, paper, wood, rubber

and plastics. Three major Canadian investors in Malaysia are Bata Shoes, Alcan Aluminum Ltd. and Northern Telecom.

Two arrangements are in place to facilitate Canada-Malaysia investment relations: a Foreign Investment Insurance Agreement and an agreement to avoid double taxation.

- **Enterprise Malaysia Canada program**

This program, funded by the Canadian International Development Agency (CIDA), but delivered through the private sector supports the development of joint ventures between Canadian and Malaysian firms. To date, 25 such joint ventures have been created and many more are in the pipeline. See *Appendix I: Useful Contacts and Publications* of this publication for contact names and numbers.