

FACT SHEET: ADDITIONAL INCENTIVES FOR MANUFACTURING PROJECTS IN SARAWAK

Malaysia's incentives for the manufacturing sector are considered to be the most attractive in the ASEAN region. For more information on the Federal incentives, please refer to the [Malaysian Industrial Development Authority \(MIDA\)](#) website.

In addition to the Federal incentives, companies investing in the Manufacturing sector in Sarawak are eligible for Sarawak Pioneer Status, which means a tax exemption of 100% (normally 70%) of their statutory income.

At the end of the qualification term for Pioneer Status, new and existing companies may also qualify for a repeat of the Pioneer Status tax exemption. For more information on this, please discuss with your account manager

Investors in the manufacturing sector in Sarawak may also be granted Pioneer Status or Investment Tax Allowance incentives even if the incentives are no longer offered in other parts of Malaysia.

Manufacturing projects established in Sarawak that intend to cater for the Sarawak market are entitled to full import duty exemption on any raw materials, components or parts that are not available in Sarawak.

Investors are also entitled to double deduction on freight charges incurred in the export of rattan and wood-based products (except plywood, sawn timber and veneer).

Investors in the manufacturing sector are also entitled to own commercial land provided by the State at a low entry cost with a nominal down payment and attractive, flexible terms of payment.

The [Ministry of Industrial Development \(MID\) Sarawak](#) plays an important role in Sarawak's industrial development and economic diversification programme and will be happy to offer advice to investors or feel free to contact your account manager.