

Business in Malaysia

UK exports to Malaysia in 2011 were valued at £2.25 billion, 14% up on 2010. This reflects the wide range of opportunities for UK business and places Malaysia as the UK's second largest export market in South East Asia, after Singapore. The UK is also one of the largest investors in Malaysia, investing over £20 billion in the past 30 years.

Life Science sector in Malaysia

Overview

Malaysia is one of the Asian countries with plans to become the region's biotech hub. It will leverage on the strength of the country's diverse natural resources. The key strengths of Malaysia include its infrastructure, its existing history and advances in medical devices and diagnostics manufacturing, well regulated pharmaceutical industry, availability of GMP certified manufacturing facilities. Given Malaysia's traditional focus on agriculture, a large percentage of agricultural biotechnology companies are in adding value to food and crops. The healthcare biotechnology development policy is to contribute towards the advancement of healthcare by exploiting Malaysia's biodiversity for new drug candidates and providing cost effective outsourcing services for biodrug development.

Under the tenth Malaysia Plan (2010-2015), a number of initiatives have been taken to promote regional development and accelerate growth in designated geographic areas. Five growth corridors were identified. The corridors are established to develop certain subsectors of biotechnology.

Opportunities

Opportunities for UK life sciences companies in Malaysia include:

Clinical Trials and Contract Research

Malaysia has a multi-ethnic composition; representing a diverse pool in the areas of disease and illness that make it ideal for trials in preclinical and Phase 1 clinical trials. There is potential for conducting trials for herbal medicine, tropical and infectious diseases and stem cell therapy.

Contract Manufacturing of Medical Devices

Medical devices is a sector that has grown due to the strength in clean technology developed in Malaysia largely through the semiconductor manufacturing industry, which is strong there. This provides both a trained workforce and infrastructure suited to medical devices development.

Pharmaceuticals

Biogenerics and vaccines are areas of interest as local pharmaceutical manufacturers are conducting ongoing research in biogenerics. There is a growing demand for HALAL certified vaccines in Organisation of Islamic Council Countries. Multinationals control about 70% of the pharmaceutical market in terms of innovative and specialised products. The local industry remains focused on the production of generics and lower-tech medicines.

R&D

Malaysia is keen on joint research projects. The government's focus in developing the biotech sector will result in improved investment opportunities, which will be favourable for businesses and cost effective R&D propositions. Malaysia has an abundance of natural rainforest. There is an increase in strategic alliances to further accelerate the research output. The screening, analysis and processing of the native flora for either medicinal or therapeutic properties has been successful in some local plants.

Regional Collaborations

Malaysia is one of the six Association of South East Asian Nations (ASEAN) nations that will have their Most Favoured Nations (MRN) rates on Chinese goods reduced to 0% by 2010. In tandem, the same rules apply to China, which will enable Malaysian goods to be duty-free to China. The Ministry of Health announced that at least 70% of the equity in services sector will be opened to foreign participation under ASEAN Free Trade Agreement. Liberalisation of the healthcare sector will allow foreign corporations to open hospitals as well as foreign doctors and insurance companies to operate in Malaysia.

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