

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Malaysia: 2021 Commitments (\$ million)^a

Product Type	Sovereign	Nonsovereign	Total	COVID-19 Response
Technical Assistance ^b	0.46	0.15	0.61	0.06
Trade and Supply Chain Finance Program ^c	–	24.83	24.83	0.24
Total	0.46	24.98	25.44	0.30

– = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

^a Numbers may not sum precisely because of rounding.

^b Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^c Short-term ADB-financed commitments from private sector programs with maturity of less than 365 days.

ADB supports the 12th Malaysia Plan, the country's development plan for 2021–2025, focusing on post-pandemic recovery, sustainable green urban development, and regional cooperation.

MALAYSIA

Malaysia achieved commendable successes in the past decades. Real gross domestic product increased by 5.2% during 2001–2020, exceeding the global growth of 3.5% for the same period. In the Global Competitiveness Report 2019, Malaysia is the 27th most competitive among 141 countries. However, challenges related to globalization, economic liberalization, and rapid expansion of information and communications technology, significantly impacted on Malaysia's journey to become a fully developed country.

Malaysia is an upper middle-income country with a per capita income of more than \$10,300 (2020). Malaysians enjoy a good standard of living. Progress was made toward supporting the poor and vulnerable and addressing social challenges by creating equitable economic opportunities, developing human capital, and enhancing infrastructure and public service delivery. The government also began improving the competitiveness of small and medium-sized enterprises. According to the World Bank's The Human Capital Index 2020 Update: Human Capital in the Time of COVID-19, Malaysia's index is 0.61 (the highest was 0.88 in a total of 174 economies).

To date, the Asian Development Bank (ADB) has committed 166 public sector loans and technical assistance totaling \$2 billion to Malaysia. Cumulative loan disbursements to Malaysia amount to \$1.41 billion. These were financed by regular and concessional ordinary capital resources.

ADB resumed engagement with Malaysia in 2011. The partnership was laid out on a platform of regional cooperation and integration, building institutional capacity, private sector engagement, and knowledge partnership.

ADB assistance contributed greatly to advancing regional cooperation and integration through the Association of Southeast Asian Nations (ASEAN), the Brunei Darussalam–

Malaysia: Cumulative Commitments^{a, b, c, d}

Sector	Total Amount No.	Total Amount ^e (\$ million)	% of Total Amount ^e	COVID-19 Response (\$ million) ^e
Project and Technical Assistance	173	2,024.83	94.24	0.20
Agriculture, Natural Resources, and Rural Development	65	676.46	31.48	–
Education	8	259.87	12.09	–
Energy	22	324.78	15.12	–
Finance	5	26.23	1.22	0.08
Health	8	183.43	8.54	0.01
Industry and Trade	8	55.71	2.59	–
Information and Communication Technology	–	0.17	0.01	–
Multisector	5	1.75	0.08	–
Public Sector Management	10	2.19	0.10	–
Transport	20	256.39	11.93	–
Water and Other Urban Infrastructure and Services	22	237.85	11.07	0.11
Trade and Supply Chain Finance Program^f	1,034	123.82	5.76	18.74
Finance	603	74.33	3.46	9.49
Industry and Trade	431	49.50	2.30	9.25
Total	1,207	2,148.65	100.00	18.94

– = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

^a Grants and TA include ADB-administered cofinancing.

^b Includes loans, TA, and private sector programs.

^c Using primary sector in the reporting of commitments.

^d From 2020, financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^e Numbers may not sum precisely because of rounding.

^f Short-term ADB-financed commitments from private sector programs with maturity of less than 365 days.



Indonesia–Malaysia–the Philippines East ASEAN Growth Area (BIMP-EAGA), and the Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT). Priorities in these cooperation initiatives include cross-border infrastructure projects, trade facilitation, economic corridor and border development, energy cooperation, and tourism promotion. The Government of Malaysia contributed to the Asian Development Fund and is the largest country shareholder of the ASEAN Infrastructure Fund (AIF), supporting the ASEAN Green Catalytic Finance Facility. It is the host country for the AIF and was twice elected as Chair of the AIF Board of Directors.

As with the rest of the world, the coronavirus disease (COVID-19) significantly affected Malaysia. Malaysia instituted measures to protect public health and a movement control order that resulted in several businesses closing down. Continued government support helped cushion the effect of the pandemic. In 2021, the government introduced a national recovery plan. The lifting of restrictions allowed economic sectors to operate. With an aggressive vaccination drive, Malaysia succeeded in having one of the highest inoculation rates in the world.

Nonsovereign operations. Total outstanding balances and undisbursed commitments of ADB's nonsovereign transactions in Malaysia as of 31 December 2021 was \$5.95 million, representing 0.04% of ADB's total private sector portfolio.

Operational challenges. The progress achieved by Malaysia is at risk of being eroded by the COVID-19 pandemic. ADB supports Malaysia's post-COVID 19 recovery and will align its operations with Malaysia's development agenda set out in the 12th Malaysia Plan 2021–2025. ADB continues to explore opportunities for nonsovereign operations and investments in Malaysia, with support for financing trade initiatives and supply chain development.

KNOWLEDGE WORK

Malaysia participated in various regional capacity-building initiatives administered by ADB such as on the application of international standards, domestic resource mobilization, public-private partnerships and tourism recovery in the ASEAN.

The government collaborates with ADB on enhancing environmental sustainability through the development of green city action plans, which promote private sector participation and domestic resource mobilization. As the regional adviser to BIMP-EAGA and a development partner to IMT-GT, ADB supported two studies on corridor development and special economic zones, which were presented at the BIMP-EAGA and IMT-GT summits in 2021. Economic corridors are proposed to be expanded as a network. ADB is also supporting the midterm review of the BIMP-EAGA Economic Vision 2025 and the preparation of the successor Implementation Blueprint for IMT-GT Vision 2036.

Malaysia: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	Goods, Works, and Related Services	
	Amount (\$ million)	% of Total
2020	13.16	0.06
2021	–	–
Cumulative (as of 31 Dec 2021)	1,350.68	0.58

Item	Consulting Services	
	Amount (\$ million)	% of Total
2020	2.47	0.34
2021	14.10	2.02
Cumulative (as of 31 Dec 2021)	101.66	0.68

Item	Total Procurement	
	Amount (\$ million)	% of Total
2020	15.64	0.07
2021	14.10	0.09
Cumulative (as of 31 Dec 2021)	1,452.34	0.59

– = nil.

Top 5 Contractors/Suppliers from Malaysia Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2017–31 December 2021

Contractor/Supplier	Sector	Contract Amount (\$ million)
Pestech Sdn. Bhd.	ENE	25.41
Leader Cable Industry Berhad	ENE	3.21
Powercode & Polyware (JV)	WUS	2.26
Chip Ngai Engineering Works Sdn. Bhd.	WUS	1.84
Gorasia Industries Sdn. Bhd.	ENE	0.35
Others		0.05
Total		33.12

ENE = energy, JV = joint venture, WUS = water and other urban infrastructure and services.

Top 5 Consultants from Malaysia Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2017–31 December 2021

Consultant	Sector	Contract Amount (\$ million)
Minconsult Sdn. Bhd.	EDU, ENE, TRA, WUS	34.75
Mediconsult Sdn. Bhd.	HLT	1.86
Social Wellbeing Research Centre, Universiti Malaya	HLT	0.30
Worldfish Center	ANR	0.24
IEN Consultants Sdn. Bhd.	EDU	0.13
Individual Consultants		4.74
Others		0.08
Total		42.09

ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; HLT = health; TRA = transport; WUS = water and other urban infrastructure and services.

Note: Numbers may not sum precisely because of rounding.

Malaysia: Ordinary Capital Resources Nonsovereign Commitments by Product

	2021	2017–2021
Number of Transactions Signed (OCR)	0	0
Number of Transactions Signed (Programs)	169	1,034
	Amount (\$ million)	
Loans	–	–
Equity Investments	–	–
Guarantees	–	–
Debt Security	–	–
Trade and Supply Chain Finance Program and Microfinance Program	24.83	123.82
Total	24.83	123.82

– = nil, OCR = ordinary capital resources.

FINANCING PARTNERSHIPS

Financing partnerships enable ADB's partner governments or their agencies, multilateral institutions, and private organizations to participate in ADB projects. The additional funds may be in the form of loans and grants, technical assistance, and nonsovereign cofinancing.

Cumulative cofinancing commitments in Malaysia:

- Sovereign cofinancing: \$2.28 million for 5 technical assistance projects since 1981
- Nonsovereign cofinancing: \$123.82 million for 1 investment project since 2015

FUTURE DIRECTIONS

ADB will support initiatives under the [12th Malaysia Plan 2021–2025](#), which aims to restore and reinvigorate the economy, narrow disparities, and promote sustainable development. ADB will continue to help develop green city action plans and catalyze financing for green and sustainable development. The government has allocated a large budget for upskilling and reskilling programs. Capacity development and institutional strengthening are fertile areas for collaboration between ADB and the Government of Malaysia to help address unemployment among the youth and improve competitiveness. Ongoing efforts aim to transform micro, small, and medium-sized enterprises as the new driver of economic growth. Mobilizing domestic resources, promoting private sector development, and advancing technologies and innovation are additional anchors for partnership, while leveraging on regional cooperation initiatives.

Malaysia: Independent Evaluation Ratings for Sovereign and Nonsovereign Operations, 2012–2021

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	-	-	-	-
Nonsovereign Operations	1	-	1	-

-- = nil, IED = [Independent Evaluation Department](#).

Note: The numbers indicate nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated extended annual review reports circulated by ADB within the 10-year period from 1 July 2011 to 30 June 2021. See [evaluations](#) related to Malaysia.

Source: IED success rate database.

Malaysia: Projects Cofinanced, 1 January 2017–31 December 2021

Cofinancing	No. of Projects	Amount (\$ million)
Nonsovereign	1	123.82

ADB AT A GLANCE

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It has 68 members—of which 49 are from Asia and the Pacific and 19 outside. ADB headquarters is in Manila, Philippines and has 43 offices around the world, with 3,693 staff from 65 of its members as of 31 December 2021.

ADB maximizes the development impact of its assistance to its developing members by providing financing and tailored knowledge solutions through policy dialogue and advisory services, among others. It mobilizes financial resources through cofinancing from official, commercial, and export credit sources.

ADB pivoted swiftly to answer the needs of its developing members and will remain agile and responsive in the years ahead. It has started to see the shoots of a green recovery, but the long-term effects of the COVID-19 pandemic, climate change, and the outbreak of conflicts still threaten lives and prosperity. ADB will continue to work closely with members and development partners through these challenges to achieve a better future for all in Asia and the Pacific.

ADB operations. In 2021, ADB committed \$22.8 billion in loans, grants, equity investments, private sector programs, and technical assistance both to the public and private sectors of its borrowing members. ADB bolstered its total support with cofinancing of \$12.9 billion.

As of 31 December 2021, ADB's cumulative commitments in 45 countries stood at \$342 billion covering 4,061 loans, \$11.7 billion in 521 grants, and \$5.2 billion in technical assistance grants, including regional technical assistance grants.

In addition to loans, grants, and technical assistance, ADB uses guarantees and equity investments to help its developing member countries.

Total commitments in nonsovereign loans and equity investments from ADB's own funds in 2021 amounted to \$1.2 billion for 35 transactions in economic and social infrastructure, finance sector, and agribusiness.

In 2021, ADB mobilized \$1.7 billion of long-term project cofinancing and \$5.8 billion of cofinancing through its Trade and Supply Chain Finance Program and Microfinance Program. Total outstanding balances and undisbursed commitments of nonsovereign transactions funded by ADB's own resources stood at \$14 billion as of 31 December 2021.

FINANCING PARTNERSHIPS

Total sovereign and nonsovereign cofinancing commitments, 2021

- \$12.93 billion for 187 projects, of which:
 - » \$12.38 billion, 75 investment projects,
 - » \$134.67 million, 110 technical assistance projects,
 - » \$422.87 million transaction advisory services for 2 projects.

Cumulative sovereign and nonsovereign cofinancing commitments, 1970–2021

- \$140.43 billion for 3,165 projects, of which:
 - » \$136.6 billion, 1,098 investment projects,
 - » \$2.8 billion, 2,061 technical assistance projects,
 - » \$1.07 billion transaction advisory services for 6 projects.

PROCUREMENT

ADB's Procurement Contracts, 2021

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations:

- \$22.93 billion in 2020
- \$15.6 billion in 2021
- \$232.16 billion covering 225,336 contracts, cumulative procurement since 1966

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations:

- \$730.78 million in 2020
- \$697.03 million in 2021
- \$14.86 billion covering 71,348 contracts, cumulative procurement since 1966

MORE ABOUT MALAYSIA AND ADB

Shareholding and Voting Power

Number of shares held: 289,050 (2.72% of total shares)
Votes: 328,164 (2.47% of total membership, 3.79% of total regional membership)

*Overall capital subscription: \$4.05 billion
*Paid-in capital subscription: \$202.32 million

*United States dollar figures are valued at rate as of 31 December 2021.

Contributions to Special Funds Resources

Malaysia contributes to the Asian Development Fund (ADF) and the Technical Assistance Special Fund (TASF). The ADF provides grants to ADB's lower-income developing member countries. The TASF provides technical assistance grants to developing member countries to help prepare projects and undertake technical or policy studies.

Contributions to the ADF (committed): \$33.16 million
Contributions to the TASF (committed): \$3.4 million

ADB Governor: Tengku Datuk Seri Utama Zafrul Bin Tengku Abdul Aziz

ADB Alternate Governor: Dato' Asri Hamidon

ADB Director: Wan Farisan bin Wan Sulaiman (Malaysia)

ADB Alternate Director: San Thida (Myanmar)

Annual Meeting

Kuala Lumpur, 7th Annual Meeting, 25–27 April 1974

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Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org

Notes: (i) Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars. (ii) Data are updated as of 31 December 2021 unless otherwise indicated.