



MALAYSIA

Market Brief

Malaysia is a growing middle-income country with an F&B sector that continues to grow steadily. Malaysia's total agricultural-related product imports in 2023 from the world reached \$24 billion, roughly 4% of which was sourced from the U.S. In particular, U.S. exporters can expect new opportunities in Malaysia's expanding food manufacturing sector.

Quick Facts

Demographics

- 33.7 million in population
- With over 65% of the population being Muslim, there is a strong demand for halal foods.

2023 GDP

- GDP (current US\$): \$399.65 billion
- GDP growth: 3.7%

2024 Minimum Wage Earnings (USD)

- \$4,348

Best High-Value, Consumer-Oriented Product Prospects in Malaysia



Dairy products



Prepared foods



Processed vegetables



Fresh fruits



Processed fruits



Tree nuts



Beef and Beef Products



Pork and pork products



Bakery goods, cereals, and pasta



Pet food

Top U.S. Competitors in Malaysia

- China
- Thailand
- India
- Indonesia
- New Zealand
- Singapore
- Australia



Market Trends



- As one of Southeast Asia's most developed countries with a GDP per capita of \$13,034, over half of Malaysia's population falls into the middle to high-income bracket, contributing to its increasingly urbanized market, with high demand for imported F&B.
- F&B market is well-developed and is supplied by both local and imported products.
- Many U.S. products need to be halal certified, which can be a lengthy process. However, Malaysia's trade and regulatory policies are relatively open and provide opportunities for a broad range of imported food and beverages.

Logistics



- Cold chain industry is growing, but it is highly fragmented. Some companies are only focused on distribution and transportation, while others concentrate on the storage element of the cold supply chain.

Import Regulations and Procedures



- Certain products like beef, lamb, poultry, and dairy have mandatory halal certification requirements. Even when not mandatory, halal certification significantly broadens market access.
- For details on regulations and procedures for the importation of food and agricultural products from the U.S. to Malaysia, including halal requirements and procedures, please access the 2024 USDA FAIRS Country Report Annual for Malaysia at <https://fas.usda.gov/data/malaysia-fairs-country-report-annual>

Market Entry Recommendations



- Develop links with local importers that target the major retailers, hotels, restaurants, and processors. U.S. exporters are advised to appoint local distributors, or at least a local representative to help guide them through the requirements of Malaysian food regulations and local trading practices.



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