

**LOCALISATION PROGRAMME FOR AUTOMOTIVE INDUSTRY 2019  
WELCOMING REMARKS BY MR. ARHAM ABDUL RAHMAN  
DEPUTY CHIEF EXECUTIVE OFFICER I  
2 APRIL 2019 (TUESDAY)  
MIDA PERDANA HALL, LEVEL 10**

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**Acknowledgements**

Datuk Aishah Ahmad  
President, Malaysian Automotive Association

Fellow Industry Stakeholders

Distinguished Guests

Ladies and Gentlemen

1. First and foremost, welcome to the Localisation Programme for Automotive Industry 2019. I would like to convey my appreciation to Datuk Aishah Ahmad, President of Malaysian Automotive Association (MAA) for collaborating with MIDA in organising this inaugural event.
2. We are pleased to gather a remarkable representation across the automotive industry including both the OEMs and vendors at this platform. With this gathering, we look forward to the exchanges between OEMs and vendors in further discussions of increasing localisation activities that can benefit all parties as well as to encourage more investments into the country.
3. I believe that through a strong participation between all stakeholders, the efforts towards enhancing the development of Malaysia's automotive industry can be made possible.

Ladies and Gentlemen,

4. As of 2018, the Malaysian automotive industry currently has 27 vehicle manufacturers (OEMs) producing cars as well as two-wheelers and commercial vehicles. It contributes about RM40 billion or 4% to Malaysia's GDP, with a workforce of more than 600,000, of which 53,000 for aftermarket establishments, and around 800 for parts and components suppliers.
5. For the period 2012 to 2018, MIDA has approved a total of 396 projects in the automotive industry with investments worth RM20.5 billion. Despite this achievement, there is still room for growth, and we would like to see a stronger supply chain created in Malaysia's automotive industry, consisting of both global and local players.
6. We are certainly looking forward to seeing more investments in the industry that brings about the transfer of technologies and expertise creating new capacities and help contribute to the creation of high-value jobs.
7. Evolving around mechanical, chemical, electrical, electronic, materials, and information technology; the automotive industry converges these fields with manufacturing, services and the financial sectors into a comprehensive mega-sector which plays a vital role in the Malaysian economy today.
8. While the growth is encouraging, there is no room for complacency. Advances in technology, changing consumer demands, increasing competition, rising disposable incomes and the proliferation of brands and products offer today's industries more choice than ever before.

Ladies and gentlemen,

9. The world of industrial production is undergoing unprecedented transformation mostly driven by Industry 4.0 technologies such as 3D printing, Internet of Things (IoT), Cloud Computing, Augmented

Reality and System Integration. Digitalisation has proven to benefit private sector/Industry directly; thus firms should make a move to bring their business higher in their value chain.

10. Industry4WRD or the National Policy on Industry 4.0 which was launched on 31 October 2018 by our Prime Minister Tun Dr Mahathir Mohamad is an epitome of strong collaborative efforts between the Government, industry and academia.
11. It provides a framework to chart Malaysia's digital transformation in the manufacturing and services sector. Malaysia envisions that through this Policy, it will be the Strategic Partner for smart manufacturing and related services in the Asia Pacific, primary destination for high tech industry and total solutions provider for advanced technology.
12. In this regard, I would like to encourage the auto players to get involved and participate fully from the initiatives undertaken. Companies that thrive in this new world of revolution do not have to be the biggest. They only need to be flexible in customising their products to meet customers' needs.

Ladies and Gentlemen,

13. While the Government provides supporting measures, the continuous growth of the automotive sector ultimately lies in the hands of the companies that comprise the industry. MIDA is here to assist. Our doors are always open to facilitate the industry.
14. Before I end, I would like to urge all of you to take full advantage of this event as a platform to share information and further discuss your interest and investment plans. I trust the one-to-one business meetings which will be held later in the afternoon for the OEMs to meet specific vendors will create more opportunities for your business to grow.
15. With that, I wish you all a productive session ahead. Thank you.