

IoT Malaysia 2019
Speech by YBhg. Dato' Abdul Majid Ahmad Khan
Chairman of MIDA
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Acknowledgement

Mr Eric Chan

Vice President, Internet of Things Group and General Manager of Customer Engineering, Intel Corporation

Distinguished Guests

Ladies and Gentlemen

Salam Sejahtera and Good Morning.

1. I am pleased to join you at today's IoT Malaysia 2019. First of all, let me congratulate Intel, for taking the initiative to work closely with MIDA for the third consecutive year in organising this event. This public-private collaborative event offers exciting opportunities for companies seeking to explore automation and digitisation.
2. It is very encouraging that Intel is actively working with MIDA to drive IoT technology adoption through programmes such as this. Forums, seminars and conferences like IoT Malaysia 2019 are instrumental in creating awareness among SMEs and start-up technopreneurs to explore the adoption and implementation of IoT as a means to add value to their products and services. Ultimately, increasing their productivity and efficiency towards scaling up their businesses.
3. Intel Malaysia is among the captains of the industry, growing strength to strength in this country and globally. We recognise the continued interest and proactive initiatives by Intel to drive Malaysia's industrial ecosystem, particularly in the electrical & electronics (E&E) sector. This sector serves to provide the intermediary products and components which enable the execution of industry 4.0 by leveraging on IoT technology in various sectors.
4. Today, with more than RM21 billion invested in the country, Intel Malaysia is one of Intel Corporation's most comprehensive sites. Employing more than

11,000 employees, it boasts of being Intel's largest Assembly Test Manufacturing site in the world. Its all-Malaysian manufacturing workforce produces Intel's latest products by utilising state-of-the-art smart manufacturing techniques.

5. Also, with the Government's business-friendly policies, investors such as Intel can leverage on Malaysia's strategic location, a vast network of infrastructure, strong support industries as well as talented workforce to become prominent players within the global value chain.

Ladies and gentlemen,

6. The E&E industry in Malaysia reflects the backbone of the Malaysian economy. With a humble beginning of a few global companies in the 1970s undertaking labour-intensive, low technology and low value-added activities, the local industry has flourished, offering a full range of industrial electronics, semiconductor, solar and LED clusters. Many companies have diversified into higher value-added products and front-end activities including design, research and development.
7. As of December 2018, there have been over 4,000 of E&E projects of investments worth RM204.9 billion successfully implemented within the country. These projects have contributed to over 786,000 jobs. Additionally, MIDA has approved 48 projects of investments over RM16.4 billion in the first half of 2019. These projects include the design, development and manufacturing of test boards for automotive semiconductors, manufacturing of sensors for the automotive industry and manufacturing of advanced packaged integrated circuits.
8. The Government continues to attract new quality investments from foreign investors and encourage existing foreign MNCs to move up the value chain. The recent Budget 2020 announced an allocation of customised investment package incentives up to RM1 billion annually over five years for targeted Fortune 500 and global unicorns in high technology, manufacturing, creative and new economy sectors. The Budget has also allocated special incentives to further promote high value-added activities in the E&E industry to transition into 5G digital economy and Industry 4.0.
9. Through this facility, MNCs can assume a strong role to support local companies and SMEs to grow. If MNCs can give SMEs a helping hand, just

like what Intel is doing today, local companies and SMEs can leverage on the established IoT platforms of these MNCs. Local players will be able to step up to fill up the gaps in the IoT ecosystem by providing supporting technologies and services required.

Ladies and gentlemen,

10. With the National Policy on Industry 4.0 or Industry4WRD in place, Malaysia aims to transform the local business landscape by strategically leveraging available technological trends. Among the key strategies is focusing on research, innovation, commercialisation and entrepreneurship activities in Industry 4.0 technology such as IoT.
11. We hope that by increasing the capacity and capability of Malaysian firms, start-ups, universities, and research institutes in these technology areas, Malaysia will emerge as a hub for high value and innovative technology commercialisation. This is to be achieved not only by improving industrial productivity but also increasing efficiency and reducing costs of local businesses.
12. Additionally, Malaysia's Shared Prosperity Vision 2030 outlines our endeavour to attain sustainable growth, becoming a high-value nation that is competitive. Sectors such as the digital economy, Industry 4.0, centres of excellence and content industry have been highlighted within the proposed Key Economic Growth Activities of the Vision to propagate wholesome growth of the Malaysian economy. Local firms especially SMEs, are urged to embrace and diversify into these new fields.

Ladies and gentlemen,

13. Before I end, let me once again convey my thanks to Intel and its supporting partners for their continued confidence and support. I believe, with concerted effort between the Government, industry players, big and small, and all other stakeholders, we will see the rise of more smart products and services in Malaysia by our local champions. I trust that this event will be a rewarding experience for everyone involved.
14. It is, therefore, my great pleasure to officially launch the IoT Malaysia 2019. Thank you.