



**MINISTRY OF
INVESTMENT, TRADE AND INDUSTRY**

CLOSING KEYNOTE

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**EMBRACING THE NEW ECONOMY
A BLUEPRINT FOR MALAYSIA'S SECOND ECONOMIC
TAKEOFF**

YOUTH ECONOMIC FORUM 2024

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HALL 4, MITEC

5:00 PM

Distinguished guests, ladies and gentlemen.

Assalamualaikum warahmatullahi wabarakatuh, and a very good afternoon. Salam Malaysia Madani.

INTRODUCTION

1. Standing in front of such a young audience, I wish to start with something different. Today, instead of diving straight into facts and figures, I want to share my perspective as a father – as a man with hopes for the future of my children and the challenges that they will face. Seeing not only the many uncertainties of our rapidly changing world but also the incredible potential that each of you, youths in the audience, holds to shape it.
2. Like many of you, my children are growing up in a time when the world sits in the palm of their hands. Every day, I am reminded of their enthusiasm for learning – how they eagerly scroll through videos on science experiments, or when they share their finds on educational apps. As a father, just like your parents, I want the best for my children.

3. But as a father, I also worry. Reality often paints a very different picture to the hopes and aspirations of those living in it. We have all seen news about climate change, political unrest and economic uncertainty. I wonder, will my children have opportunities in the future? Will they have a place in a rapidly changing global landscape? Is there a growing disconnect between our dreams, our hopes and aspirations against the realities of the world we live in today?
4. This sense of uncertainty is not unique to me or to your parents. You, yourself, surely must have felt the same sense of uncertainty. You've worked hard through school, graduated with honours, and landed your first job in a promising tech start up or a prominent, established company. But in an uncertain world, it is only normal that you wonder: where do you fit into all this? But here's the good news: **you, the youth, are exactly what Malaysia needs** to navigate and thrive in these changing times. **you don't just fit into this future—you have the power to shape it.**

ADAPTING TO GLOBAL SHIFTS

5. I would like to briefly touch on the theme of this year's YEF, which is A Second Economic Takeoff: Malaysia's Path to the New Economy.
6. I am glad the conference agenda touched on topics such as Transitioning Towards a Green Economy, the Digital Economy, AI and on Creating a Robust Talent Ecosystem. This also reflect the current themes that our team at MITI are seriously working on, together with other ministries, the industry, civil society and even investors.
7. MITI recognises that the world is changing at great speed, while becoming more multipolar. It is not just **artificial intelligence (AI)**, the push for **sustainable solutions**, **re-designed supply chains** and **industrial transformation** that are reshaping the global economy. In many cases, global geopolitics is the overlay across all these shifts. These shifts may feel daunting, but they also represent unprecedented opportunities for **you**, the next generation.

8. So, today, allow me to talk of **three key points**, and how all of these will potentially impact decisions made by today's youths (all of you sitting here today), towards your professional future:

- a. **First**, on how the **global tech war and geopolitics** are **presenting specific tech opportunities** for Malaysia;
- b. **Second**, on how Malaysia can deftly use its '**middle-power**' **position** (what we can call '**industrial diplomacy**') to **play a more prominent role** in **ensuring supply chain security** for specific products and industries **globally**, and
- c. **Third**, why **our industrial reforms are the way to go** in ensuring the first two points, while engineering **Malaysia's second economic take-off and inclusive growth**.

9. On the first point, let me begin with a bit of history. I am sure all of you are aware that **post-COVID**, challenges such as **global geopolitical rivalry, accelerating digitalisation and climate change** have made the global economy more complex. Escalating **US-China tensions** have caused competing supply chains to be established, as **both**

countries' efforts to decouple from each other's economies reshape the dynamics of both international trade and investments.

10. For Malaysia navigating this turbulent terrain, **understanding the global tech ecosystem¹ has been crucial in positioning Malaysia as a preferred investment destination**, particularly for **semiconductors**. Consequently, **investors are diversifying across regions and sectors**, as security concerns and over-reliance have led both economies and their regional partners to invest more in separate, rival tech supply chains.
11. In terms of reaping such opportunities for Malaysia, the PM launched the **National Semiconductor Strategy in May 2024**. As a sub-policy of our New Industrial Master Plan 2030, this ambitious strategy looks to attract **RM500 billion of investments and produce 60,000 engineers within the next 5-7 years**. So, for you sitting here, be aware that **this where the job opportunities are in the immediate and medium-term future**.

¹ China's 'Made in China 2025' initiative seeks to establish dominance in crucial technologies such as AI, robotics, renewable energy, electric vehicles, aerospace and biotechnology. In response, the US has restricted critical exports and domestic innovation investments through initiatives such as the CHiPs Act.

MALAYSIA'S 'MIDDLE-POWER' POSITION TO SUPPORT GLOBAL TECH SUPPLY CHAIN SECURITY

12. That brings me to my second point, which is on how Malaysia, as a middle power, can play its role in global supply chain security. The US-China stand-off presents opportunities for Malaysia, particularly via our E&E and Renewable Energy sectors.
13. **At the heart of today's tech Cold War lies a battle over the semiconductor supply chain.** And Malaysia's 50-year-old semiconductor sector places us in an excellent position to reap such opportunities. I have already mentioned the **National Semiconductor Strategy (NSS)**, which aims to move our semiconductor producers up the global value chain for us to export more higher-value products.
14. On that score, we have already **welcomed global investors such as Infineon, Intel and Texas Instruments who have increased their investments in Malaysia, due to our agile tech supply chains.** Further, as technology continues to evolve, investors are also considering the transformative potential of emerging technologies such as generative AI. To that end, **Malaysia is also actively courting investments in related assets such as robotics, AI-powered logistics**

suppliers and industrial real estate – in short, hardware, software and applications across the AI ecosystem - to help global investors mitigate risks.

15. Analysts have estimated that **government initiatives, such as the US Chips Acts, may inject roughly \$100 billion into the semiconductor industry across the US, Europe and Asia. Malaysia has the industrial capacity, the track record and the rule of law to successfully reap that opportunity. Malaysia can truly become a ‘middle-power broker’ to support the security of the global tech supply chain.**
16. To that end, the **NSS** has also earmarked **over RM25 billion** over the next decade to **strengthen and upscale Malaysia’s semiconductor sector** through **talent development, targeted initiatives for local companies, and incentives** to promote investments in high value sectors.
17. What this means is **higher-skilled and better-paying jobs for you, the STEM students sitting here today**, as part of the overall MADANI Economy framework to **ensure better broad-based growth** and a **more equitable sharing of the nation’s wealth.**

SUSTAINABLE MANUFACTURING FOR MALAYSIA'S ECONOMIC TAKE-OFF AND INCLUSIVE GROWTH

Our dear, celebrated youths,

18. That brings me to my third point for today, which is ensuring economic inclusivity and security for all. The NIMP 2030 also emphasises on sustainable and inclusive growth. But **capacity-building is key**. This is why Malaysia also recently launched **the Green Investment Strategy (GIS)**. This will complement the **NIMP's Net Zero mission and the National Energy Transition Roadmap (NETR)**.
19. Last year, MITI also launched the **National Industry ESG Framework (i-ESG)**, and just last month, we launch the **Circular Economy Policy Framework for the Manufacturing Sector**.
20. All these reflect our strong recognition that **industrial policies CAN and MUST assume a new 'role' due to climate risks, and to accelerate Malaysia's transition to a low-carbon economy**. The GIS, for example, drives the innovation and investments needed to achieve a just energy transition, **ensuring that our climate commitments are**

met while protecting the wellbeing of workers affected through the creation of new job opportunities and re-skilling.

21. Indeed, **in the last 20 months or so**, we have attracted many renowned MNC investors such as **the UAE which has committed to develop up to 10 gigawatts (GW) of RE projects across Malaysia**, involving solar, wind, and battery energy storage systems. Malaysia also recently launched **the Kerian Integrated Green Industrial Park (KIGIP) in Perak** - designed to be a green industrial hub **in high-quality sectors such as electronics, semiconductors, and logistics**, powered primarily by RE.
22. **Back to the GIS**, we are also looking into various initiatives **to mobilise capital towards advancing circular economies, climate mitigation, adaptation strategies, and sustainable mobility in our industries**. Again, the job opportunities are all here, particularly as the **GIS aims to create 350,000 additional high-skilled jobs** in these green sectors. This means your future can be both promising and environmentally conscious.

ASEAN CHAIRMANSHIP AND THE YOUTH DIVIDEND

Ladies and Gentlemen,

23. Next year, **Malaysia will chair ASEAN**, a role that offers an exciting vision of shared growth and unity. With **nearly 50% of ASEAN's 680 million-strong population below the age of 30, ASEAN's demographic dividend is set to drive growth**. This dynamic young population, including everyone here today, has the energy, creativity, and drive needed to push ASEAN towards a resilient, sustainable, and inclusive future. In short, **all of you can make a difference in strengthening ASEAN's future role in the new global order**.
24. In our role as ASEAN Chair, we will also **champion the digital economy** through the upcoming **ASEAN Digital Economy Framework Agreement (DEFA)**. If realised, DEFA could add USD2 trillion to ASEAN's digital economy by 2030, creating high-quality jobs for ASEAN's youth, especially in future-proof industries like generative AI, data centers, and cybersecurity.

MALAYSIA'S INVESTMENT IN THE FUTURE OF MALAYSIAN YOUTHS

25. Closer to home, I have mentioned a few touchpoints that show how our industrial reforms, anchored by **NIMP 2030**, are not just an economic strategy — it's also a blueprint for **your future**, particularly in terms of creating **high-skilled jobs** in globally important sectors such as **semiconductors, AI, robotics, and sustainable energy**.
26. We are investing not just in businesses but in **you**, the talented and ambitious young people who will lead these industries. To ensure that these opportunities are accessible to all Malaysians—especially our youth—the government is rolling out a number of initiatives to **upskill** and **reskill** our workforce.
27. As recently announced by YAB Prime Minister in Budget 2025, programs like **Khazanah's K-Youth Program** will train **11,000 local talents** in critical sectors like semiconductors and E&E. Universities like **UiTM** and **USM** are receiving funding to train young Malaysians in **AI applications** and **engineering**, ensuring that everyone has access to these opportunities.
28. We are also ensuring that youth from **rural areas** are not left behind. **HRD Corp's RM3 billion fund** will provide **3 million training opportunities**, focusing on the industries

of tomorrow. The **Skills Development Fund Corporation, or PTPK**, with **RM500 million**, will finance training for more than **20,000 trainees** in high-growth sectors. This means that wherever you are from, whether you're in the heart of Kuala Lumpur or a small town, you will have access to these life-changing opportunities.

29. This is *your time*. You have the opportunities, the tools, the enablers, and the drive to thrive in this new economy. The government's role is to help you succeed. But it's *your role* to step up and take ownership of Malaysia's future.
30. Whether it's through **innovation in AI, entrepreneurship in green technology, or leadership in advanced manufacturing**, you are the ones who will shape the Malaysia of tomorrow.

YOUTH EMPOWERMENT AND POLITICAL PARTICIPATION

31. I also understand that some of you may feel disconnected from the political process. But I want to remind you: **your voice matters**. The policies we are implementing today—like **NIMP 2030** and our focus on **talent development**—are not just about today; they are about **your future**.

32. Political stability ensures that these long-term plans continue without interruption. Your participation—whether through platforms like the **Youth Economic Forum**, or by **making your voice heard in elections** — ensures that we are building a future that reflects your needs and your aspirations.
33. On that note, I am pleased to hear that YEF has put forward **10 Resolutions following its Closed-Door Policy Roundtable** discussion on 4th October 2024. These resolutions focused on three Pillars – Green Economy, Digital Economy and Talent Development – also reflect the priorities of both MITI and the MADANI Government. This is a commendable effort that goes a long way to complement efforts by the Government and reflects a whole-of-society approach to nation building.

CLOSING

34. In closing, I want to remind you that the **new economy** we are building is not just for you—it's **with you**. We are laying the foundation for an economy that is **resilient, competitive, and inclusive**, driven by **technology, sustainability, and innovation**.

35. This is your opportunity **to shape the Malaysia of tomorrow.** As the saying goes, “Nothing worth having comes easy.” The journey ahead will not be without its challenges, but it is in overcoming these obstacles that we will achieve something truly great. Together, we can transform these challenges into opportunities and build a Malaysia that thrives for generations to come.
36. I want to commend the Perdana Fellows Alumni Association **for organising this** Youth Economic Forum. I see youths from many different backgrounds here today; from high schools, mahasiswa and young professionals. Platforms like these empower young Malaysians to take an active role in shaping the policies that will determine our shared future, and to build a more prosperous and sustainable Malaysia for generations to come.

Thank you.