



KEYNOTE SPEECH

BY

**THE HONOURABLE SENATOR TENGKU DATUK SERI
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**MINISTER OF INVESTMENT, TRADE AND INDUSTRY
MALAYSIA**

***“MALAYSIA AS PREFERRED MEDTECH HUB IN
ACCORDANCE WITH NEW INDUSTRIAL MASTER PLAN
2030 (NIMP 2030)”***

FOR

**INTERNATIONAL MEDICAL DEVICE EXHIBITION AND
CONFERENCE (IMDECC 2024) IN CONJUNCTION WITH
MALAYSIA HOSTING THE 28TH ANNUAL MEETING OF
THE GLOBAL HARMONIZATION WORKING PARTY
(GHWP)**

10th December 2024 | Tuesday | 9.30 am

Kuala Lumpur Convention Centre

SALUTATIONS:

Dr. Muralitharan Paramasua

Chief Executive of Medical Device Authority

**Excellencies Ambassadors and High Commissioners to
Malaysia**

Members of the media

Representatives from the industry

Distinguished guests

Ladies and Gentlemen

**Assalamualaikum warahmatullahi wabarakatuh, and very
good morning to all of you.**

1. It is a privilege to be here at this **International Medical Device Exhibition Conference (IMDECC 2024)**. My heartfelt gratitude to YB Datuk Seri Dr. Haji Dzulkefly bin Ahmad, the Minister of Health; and the Medical Device Authority (MDA), the organizer, for having me.

2. My job is to share the **vision and objectives of the Ministry of Investment, Trade & Industry (MITI)**, on how our **industrial reform agenda** will help **shape the future of the Medical Technology (or MedTech) industry** in Malaysia.
3. This industry is **one of the key promoted sectors under the New Industrial Master Plan 2030 (NIMP2030)**. Two other key promoted sectors are Electrical & Electronics (E&E), as well as semiconductors. I mention those two because they also feed into the MedTech industry.
4. As stipulated by the MADANI Economic Framework, the Government aims to raise both the floor and the ceiling of our economy to drive Malaysia's sustainable and inclusive growth. For this, MITI's key responsibilities under NIMP2030 are to **attract investments into the right target sectors – including in medical devices - and strengthen the domestic linkages of local industries** to help them move up the global value chain.
5. As you may already know, the **key missions under NIMP 2030** – including increasing our industries' economic complexity, and fostering digitalisation – are meant to **drive Malaysia's industrial reform agenda and attract**

the right investments, while aligning industrial and export growth to the country's MADANI Economic vision.

The Global Significance of MedTech

Ladies and Gentlemen,

6. MedTech plays an important role in enhancing **healthcare delivery, improving patient outcomes, and driving economic development**. In addressing global health challenges, MedTech is clearly an industry that transcends borders.

7. The global medical devices market size was valued at more than **USD518 billion in 2023**. This is **projected to grow from ~USD542 billion in 2024 to almost USD887 billion by 2032**, representing a **CAGR of 6.3%** during the period¹. As the market demand for advanced healthcare solutions surges, so does the demand for robust MedTech ecosystems that can support R&D and commercialization.

¹ 1. Source: <https://www.fortunebusinessinsights.com/industry-reports/medical-devices-market-100085>

Malaysia's Current Standing in the MedTech Landscape

8. Over the past decade, Malaysia has developed **world-class research institutions, a growing number of start-ups, and companies** engaged in the production of medical devices, diagnostics, and digital health solutions. Through NIMP2030, **Malaysia's MedTech industry is well-supported by the right policies to grow sustainably.**
9. Our medical device industry is currently host to over **200 manufacturers, who collectively generated RM28.15 billion of exports of medical devices in 2023. Thirty of those companies are MNCs that have made Malaysia their manufacturing base.** These include renowned brands such as **Abbott, and B-Braun.**
10. I am also pleased to share that from **January - September 2024, the total export of medical devices was valued at RM27.2 billion, a 30.0% increase year-on-year.** This means that exports for 2024 looks set to surpass last year's figure by a comfortable margin.
11. Major exports comprised of **Surgical & Examination Gloves² ; Needles, catheters and cannula³;**

² RM8.60 billion or 30.6% share

³RM5.22 billion; 18.5% share

Orthopaedics & other appliances⁴; Instruments & appliances⁵ and Electro-diagnostic apparatus⁶. We view this strong product profile for export as a reflection of the MADANI Government's clear policies, and strong execution.

12. Roughly 90% of Malaysia-made medical devices get exported to **the USA, Germany, Singapore, Japan, Belgium, China, the Netherlands, Brazil, the UK and Australia.** I am sure we are equally proud to know that Malaysia **fulfils 80% of the global demand for catheters, and 60% of the world's demand for rubber gloves, including medical gloves.**
13. One key success factor for the growth of the medical device industry in Malaysia is the presence of **a complete and complementary high-tech manufacturing ecosystem.** This includes sterilization services, medical packaging, ESS (i.e. precision engineering), tool and die, plastic injection moulding, machinery fabrication, electronics manufacturing services (EMS), R&D institutes as well as testing and accreditation bodies.

⁴ Worn, carried/ implanted in the body - RM3.92 billion; 13.9% share

⁵ Used in medical/ veterinary sciences - RM3.59 billion; 12.8% share

⁶ RM1.57 billion; 5.6% share

14. In fact, it was the pandemic that made the government realise how important Malaysia's medical device industry is to the global supply chain. Post-pandemic, part of MITI's work that supports the Ministry of Health and our public health resilience is our Project on **Industrial Supply Chain Mapping**.
15. I must also highlight that since the start of the **MADANI Government**, we have been **busy with economic, fiscal and industrial reforms**. Many of these efforts are showing results:
- a. For example, target industries – including aerospace, E&E (+ medical devices), chemicals, digital economy, and pharmaceutical – now have a clear growth path. With policies such as the NIMP2030, the National Energy Transition Roadmap, and the National Semiconductor Strategy, industries have a clear view on which areas they should invest in.
 - b. Second, inflow of investments into Malaysia have been encouraging, with approved investments up 18% year-on-year (RM160 billion).

- c. **Third, trade, too, has increased - in the first 10 months of 2024, it was up 9.3% year-on-year, to reach RM2.4 trillion.**
- d. **Fourth, for the first three quarters of 2024, Malaysia's GDP is already at 5.2%.**
16. All these achievements place Malaysia on a great footing to leverage on her Chairmanship of ASEAN in 2025. **Our proposed Priority Economic Deliverables (or PEDs) will be instrumental in establishing ASEAN as a global economic leader.**
17. **ASEAN is currently the world's fifth largest 'economy',** with a combined GDP of US\$3.8 trillion. It is projected to grow between **4.5 – 5.5% from 2025 – 2030** and looks set to become the fourth largest economic bloc globally by 2030.
18. The **six most advanced countries in ASEAN –** Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam – registered the **fastest rate of year-on-year growth over the past four quarters.** We

also see strong numbers from a GDP, trade momentum, industrial activity and labour perspectives⁷.

19. **For Malaysia** alone, our **manufacturing output grew 4.7% in 2Q 2024, and then 5.6% in the third quarter.** Furthermore, **by 2045, ASEAN's population is expected to exceed 800 million.** This makes ASEAN a highly attractive market to global investors and exporters.
20. All this is a BIG deal – particularly in the context of **current geopolitics, where major supply chains are seeking out more neutral and non-aligned bases, such as ASEAN!** MITI is **determined to capture that inflow, while continuing to strengthen** Malaysia's position as a **leading MedTech hub** in the region.

The New Industrial Master Plan 2030 (NIMP 2030): Growth and Innovation in the Medical Device Industry

10. Through NIMP2030, our vision is to create an industry that is more **digitally advanced, innovation-driven, and sustainability focused.** Together with our key agencies like MIDA, CREST (Collaborative Research in Engineering,

⁷ <https://www.mckinsey.com/featured-insights/future-of-asia/southeast-asia-quarterly-economic-review>

Science & Technology), and SIRIM, we aim to leverage on our ASEAN Chairmanship to further **Promote R&D and Innovation.** For the MedTech sector, we want industries to focus on **personalized medicine, digital health, and medical robotics** to drive economic complexity, efficiency and value-added growth. We want them to embrace Industry 4.0 technologies such as artificial intelligence (AI), the Internet of Things (IoT), and robotics.

11. We also want to **Foster More Strategic Partnerships,** where global MedTech companies collaborate with domestic industry leaders to strengthen the local ecosystem and help our companies access global supply chains.

12. Of course, in all that process, we also plan to **further Develop our Human Capital:** The industry currently **employs over 70,000 skilled workers.** As a key industrial reform enabler under NIMP2030, **STEM talent development is expected to create a robust supply of talent, including engineers, scientists, and healthcare professionals for the MedTech industry.**

NIMP's Achievements and Milestones

Ladies and Gentlemen,

21. I am happy to share that since the inception of NIMP 2030, Malaysia has witnessed remarkable progress in the MedTech sector, including **Increased R&D Output**. There is a rise in patent filings and research publications from Malaysian institutions, showcasing our increased capacity for innovation.

22. There are also many **Successful MedTech Start-ups** which have secured substantial venture capital or formed strategic partnerships with global leaders. These include:

- i. **MyMedic Innovation** – on innovative healthcare solutions.
- ii. **Reszon Diagnostics International** – which specializes in diagnostic kits, particularly for infectious diseases.
- iii. **Star Medik** – which produces medical furniture and hospital equipment.
- iv. **Syno Medical** - a manufacturer of various medical devices; and
- v. **Bio Sdn Bhd** - for its biotech-based medical products.

23. Another solid NIMP outcome is increased **Industry-Academia Collaborations** such as:

- i. **B. Braun's** collaboration with **Universiti Sains Malaysia (USM)** on training, internships, and R&D.
- ii. **Johnson & Johnson's** collaboration with **University Malaya Medical Centre (UMMC)** on mental health initiatives; and
- iii. **Boston Scientific's partnership with USM** through its **RM6-million equipment donation** to support research, teaching, and lab facilities across various schools and centres. This include USM's Advanced Medical & Dental Institute and School of Materials and Mineral Resources Engineering.

24. There are also marked improvements on the **Regulatory Front**, where faster approvals and harmonized guidelines have successfully reduced time-to-market for new technologies.

Future Vision: Malaysia as the Preferred MedTech Hub

Ladies and Gentlemen,

25. Looking ahead, with our strong policies in attracting and executing the right investments, **Malaysia is on track to becoming a global MedTech hub.**

26. To realize this ambitious vision, **we will continue with our industrial reforms to ensure the resilience and sustainability of Malaysia's MedTech growth story.** I invite stakeholders to join us in this transformative journey.
27. **Strengthening Malaysia's position as a MedTech hub, as provided for by the NIMP2030 is not just a strategy. It is also Malaysia's commitment to safeguarding lives, contributing to ASEAN's growth, as well as supporting the global health and wellness sector.**
13. Through innovation, collaboration, and strong policies, Malaysia is clearly **paving the way for a healthier, and more prosperous world.** Thank you.