



## **MEDIA RELEASE**

# **THE MALAYSIA AEROSPACE SUMMIT 2018 (MyAero'18) SPURRING THE GROWTH OF THE AEROSPACE ECOSYSTEM IN MALAYSIA 14 & 15 AUGUST 2018**

1. The Malaysia Aerospace Summit 2018 (MyAero'18) organised by the Ministry of International Trade and Industry (MITI) today has set a new milestone in promoting the local aerospace capability in producing world class aerospace products today. MyAero'18 held at MITI Tower is a collaborative effort led by the National Aerospace Industry Coordinating Office (NAICO) with various agencies including SME Corporation Malaysia (SME Corp. Malaysia), Majlis Amanah Rakyat (MARA) and Aerospace Malaysia Innovation Centre (AMIC).
2. The aerospace industry has maintained its positive growth for the last two decades. Malaysia has now positioned itself as one of the important suppliers to Global OEMs such as Airbus, Boeing and Rolls Royce. Products such as Fan Casing, Fan Cowl, Leading Edge Panel, Sharklet, Nacelle Beam, Carbon Brakes, Automatic Flight Control and Electronic Flight Display are currently being produced by the Malaysian ecosystem for the global market.
3. Malaysia has set a clear national mission and vision for the aerospace industry. The Malaysian Aerospace Industry Blueprint 2030 has set a target for Malaysia to become the No. 1 aerospace nation in South East Asia by 2030. In 2017, the Malaysian aerospace industry recorded total revenue of RM13.5 billion. Aerospace exports also recorded the highest value of RM8.51 billion which increased by 54% from the previous year. Malaysia's aerospace manufacturing sector has grown immensely contributing to 48%, where else MRO contributes to 46% of the total revenue.
4. Apart from the capability of local companies to support the aerospace manufacturing and MRO (Maintenance, Repair & Overhaul) activities, quality investments and strong market demand have also accelerated the development of local supply chain. In recent years, the industry has seen a surge in investments with some multinationals establishing and expanding operations across a growing network of aerospace facilities with the recent one being GKN Aerospace, Senior Aerospace and T7 Kilgour. Among other leading aerospace players in Malaysia include Airbus, GE, Spirit AeroSystems, Safran Landing Systems, UTC Aerospace Systems, Honeywell Aerospace Avionics and Singapore Aerospace Manufacturing.
5. The quality FDIs have also triggered the need to further develop the local supply chain. As such, the Government has developed a structured SME development program known Developing SMEs in the Global Aerospace Manufacturing Industry led by SME Corporation Malaysia to nurture the companies to penetrate the aerospace supply chain. A total of 20 SMEs have been developed and the program has enabled these companies to get into the supply chain.



6. MITI is also poised for Industry 4.0 where MITI is promoting the implementation of Industry 4.0 focusing on smart robotics manufacturing system, online automation system, virtual reality for training and factory optimisation to ensure competitiveness of businesses against an evolving business landscape. Under the 11 Malaysia Plan, the High Value-added & Complex Product Development Programme led by Aerospace Malaysia Innovation Center (AMIC) have developed a number of industry solutions among others are the automated spray painter, virtual reality training system, online robot and automatic fiber placement.
7. Today at the MyAero'18, 35 exhibitors highlighted the progress of the aerospace industry in Malaysia. Home grown companies namely Composite Technology Research Malaysia (CTRM), UMW Aerospace, National Aerospace & Defence Industries (NADI) and Global Turbine Asia are showcasing their recent capabilities in producing and servicing parts for their global clients. Also present are other key aerospace players such as Airbus Malaysia, Spirit AeroSystems Malaysia, AirAsia, Malaysia Airports Holding Berhad, Strand Aerospace Malaysia, Fieran Technology, universities & training institutions and 10 SMEs companies under the SME Corp. Malaysia aerospace SME programme.
8. The main attractions at MyAero'18 are the showcase of Aero Engine, Fan Casing modules, Fan Cowl, metallic aerospace components, virtual reality system, Unmanned Aerial Vehicle (UAV) and aerospace Engineering & Design applications. Government initiatives are highlighted through NAICO, Malaysian Investment Development Authority (MIDA), Malaysia External Trade Development Corporation (MATRADE), SME Corp. Malaysia, Malaysian Industrial Development Finance Berhad (MIDF), National Space Agency (ANGKASA) and Malaysia Remote Sensing Agency (ARSM).
9. Industry and Government initiatives on supply chain development were highlighted through MARA-NAICO International Aerospace Symposium 2018 (MINAS 2018) organised by MARA. MARA also organised a career talk for the public targeted for university graduates, students from higher learning institutes and upper secondary school students.
10. "Malaysia has a huge potential in the global aerospace business. Aerospace products made in Malaysia are being supplied throughout the world and this has contributed to the growth of our aerospace export. To sustain our competitiveness, we have to focus on competency development and Industry 4.0 implementation that will lead us to produce high value added and complex aerospace products. At MyAero'18 today, the Industry 4.0 elements are being highlighted namely the Automated Spray Painter for Aerospace Parts Coating developed by AMIC, Spirit AeroSystems Malaysia and University of Malaya while AirAsia is highlighting its innovative products and solutions."; said Darell Leiking, Minister of International Trade and Industry.
11. South-East Asia's dynamic regional aerospace market is gaining prominence and this has left Malaysia well positioned to capitalise from this industry. The strong market demand has also



**MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY**

accelerated the development of local supply chain. Currently, Malaysia is the home to more than 230 aerospace companies, enabling development of a vibrant local supply chain comprising both international and local industry players.

12. Malaysia is equipped with all the necessary ingredients to be an important player in the global aerospace market. NAICO as the main coordinating body for aerospace industry development aims to promote the Malaysian aerospace industry globally and to further develop local supply chain comprising both international and local industry players. The long term prospect of the Malaysian aerospace industry remains bright.
13. “We are optimistic that the aerospace industry will continue to be a vibrant and thriving industry in the years to come, given that the Asia Pacific Region is expected to have the highest growth in new aircraft delivery for the next decade.”; added Darell Leiking.

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Ministry of International Trade and Industry (MITI)

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**About MITI:**

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation by 2020 .

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