

MEDIA RELEASE

NATIONAL AUTOMOTIVE POLICY 2020 LAUNCHED, FUTURE PROOFING LOCAL AUTO AND MOBILITY SECTOR

KUALA LUMPUR, 21 FEBRUARY 2020 - The National Automotive Policy 2020 (NAP 2020) was launched by Prime Minister, YAB Tun Dr. Mahathir Mohamad at the Ministry of International Trade and Industry (MITI) today, marking Malaysia's move towards becoming a regional leader in manufacturing, engineering, technology and sustainable development in the automotive sector, in line with the National Automotive Vision.

Accompanying the Prime Minister at the launch was the Minister of International Trade and Industry, YB Datuk Darell Leiking, who gave the Opening Speech.

The overall intended outcomes of the NAP 2020 would be more research of new technologies, creation of business and jobs opportunities particularly for the SMEs, and the development of new manufacturing processes and value chains within the local automotive and overall mobility sector.

The ecosystem of the manufacturing and aftermarket sectors within the automotive and overall mobility industry would be enhanced, focusing on Next Generation Vehicle (NxGV), Mobility as a Service (MaaS) and Industrial Revolution 4.0 (IR4.0). The NAP 2020 has a time horizon of ten years, from 2020 to 2030.

Besides aligning with current technological advancements, the NAP 2020 will also have improvements in existing policy measures and implementation. Participation of local companies in the domestic and global supply chain will be promoted, while other areas of focus are geared towards encouraging R&D and engineering activities, building capacity of local workforce, providing support for the national car projects as well as enhancing exports, investments and local production volume.

NAP 2020 has three (3) directional thrusts and three (3) strategies. It consists of seven roadmaps/blueprints, detailing out the implementation plan.

Directions of the NAP 2020:

- **Direction 1: Technology and Engineering** - development of critical components and systems for NxGV, MaaS and IR4.0, including systems and components within Automated, Autonomous and Connected Vehicles (AACV); IR4.0 technologies; light weight material technology as well as hybrid, electric and fuel cell vehicles.
- **Direction 2: Investment** – customised incentives mechanism will be continued based on cost benefit analysis of specific business proposals by investors.
- **Direction 3: Market Expansion** – measures to be introduced to increase export development, not only for vehicles and components, but also for aftermarket and services sector.

Strategies of the NAP 2020:

- **Strategy 1: Value Chain Development** – to enhance the competitiveness of the domestic value chain in pursuit of high-quality and high-technology products that meet future standards of vehicle manufacturers and consumer needs.
- **Strategy 2: Human Capital Development** – to develop local talent in tandem with current and future demands for automotive and mobility technology.
- **Strategy 3: Safety, Environment and Consumerism** – to promote the adoption of new, more environmentally-friendly technologies in addressing the issue of emissions and vehicle safety, as well as to introduce the elements of consumer rights and protection related to spare parts and services, such as maintenance and recall process.

The roadmaps and blueprints will be continuously reviewed and updated to keep pace with disruptive and evolving global trends, technologies and demands.

The launch of the NAP 2020 will be followed through with numerous outreach campaigns, information repositories, conferences and stakeholder engagements to ensure the National Automotive Vision is realised for a better Malaysia.

Ministry of International Trade and Industry

21 February 2020

-END-

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.

Media enquiries

**Ministry of International Trade & Industry
Strategic Communications Unit**

Tel +603 6200 0083

Fax +603 6206 4293

E-mail allpegkomunikasikorporat@miti.gov.my

TARGETS OF THE NAP 2020

NO.	AREA	TARGETS (BY 2030)
1.	GDP Contribution	RM104.2 billion
2.	Total Production Volume (Passenger Vehicle & Commercial Vehicle)	1.47 million units
3.	Total Industry Volume (Passenger Vehicle & Commercial Vehicle)	1.22 million units
4.	Exports of Motor Vehicles (CBU)	RM12.3 billion
5.	Exports of New Automotive Parts & Components	RM28.3 billion
6.	Exports of Remanufactured Parts & Components	RM10 billion
7.	Employment Opportunities (TOTAL)	323,000 jobs
8.	Employment Opportunities (Manufacturing)	<ul style="list-style-type: none"> • 128,000 jobs
9.	Employment Opportunities (Aftermarket)	<ul style="list-style-type: none"> • 46,000 jobs
10.	Employment Opportunities (Robotics)	<ul style="list-style-type: none"> • 30,000 jobs
11.	Employment Opportunities (IoT)	<ul style="list-style-type: none"> • 44,000 jobs
12.	Employment Opportunities (MaaS)	<ul style="list-style-type: none"> • 75,000 jobs
13.	Total Automotive Suppliers	TOTAL - 1,285 Tier 1 - 400 Tier 2 & Below - 885
14.	Supplier Competitiveness Level	Level 5 - 360 companies Level 4 - 660 companies Level 3 - 880 companies
15.	Industry4WRD Readiness	Leaders - 280 companies Experienced - 500 companies Learner - 660 companies
16.	New System Integrator	Robotics - 350 companies IoT - 380 companies
17.	Technology Development	<ul style="list-style-type: none"> i. Establishment of full-fledge Vehicle Type Approval (VTA) testing centre; ii. Establishment of Electric Vehicle Interoperability Centre (EVIC); iii. Establishment of



		<p>Autonomous/Automatic Vehicle Test Bed;</p> <ul style="list-style-type: none">iv. Establishment of Virtual Design Centre;v. Establishment of Additive Manufacturing Design Centre;vi. Establishment of Robotics & AI Centre;vii. Establishment of BDA Centre;viii. Establishment of Digital Twin Centre; andix. Establishment of Technology Academy (Automotive & Overall Mobility).
--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------