



**MINISTRY OF  
INVESTMENT, TRADE AND INDUSTRY**

**SPEECH BY**

**YB DATUK SERI UTAMA TENGKU ZAFRUL AZIZ  
MINISTER OF INVESTMENT, TRADE AND INDUSTRY  
MALAYSIA**

**AT THE**

**CITAGLOBAL & MASDAR MOU**

**27 JULY 2023, 2.30pm**

**JW Marriott Hotel, Jalan Bukit Bintang, KL**

**His Excellency Khalid Ghanim Alghaith**

Ambassador of UAE to Malaysia

**Tan Sri Dato' Sri (Dr.) Mohamad Norza Zakaria**

Executive Chairman & President, Citaglobal Berhad

**Mr. Abdulla Zayed, Head of Investment & Development**

(Europe, Middle East & Africa), MASDAR

Members of the Board of Citaglobal Berhad

Senior management of Citaglobal and MASDAR

Distinguished guests,

Members of the media

Ladies and Gentlemen

1. Firstly, I would like to thank Citaglobal Berhad for the invitation to speak at this event. MITI is pleased that MASDAR has decided to form a partnership with Citaglobal for future renewable energy projects. To us, this is clearly a reflection of the general confidence in Malaysia's policies to attract and retain foreign direct investments.

## **MALAYSIA-UAE BILATERAL TIES**

2. Before we delve into that partnership, allow me to briefly mention the good bilateral ties that Malaysia and the United Arab Emirates (UAE) have built over the years.
3. The UAE is a crucial and strategic partner for Malaysia in the Middle East. As of 2022, UAE is Malaysia's second-largest trading partner and the second-largest export destination in West Asia. In September last year, the relations between both our nations were elevated to "Strategic Partnership."
4. Just last May, I had signed a Joint Ministerial Statement with His Excellency Dr Thani bin Ahmed Al Zeyoudi, the UAE Minister of State for Foreign Trade, on the Intent to Pursue the Comprehensive Economic Partnership Agreement (CEPA) between Malaysia and the UAE.
5. This agreement sets the stage for a comprehensive and mutually beneficial economic framework in trade, services, investment, and other areas that will forge stronger strategic collaborations, foster innovation, spur economic growth, and create job opportunities. MITI plans to build on current achievements and milestones to ensure that our Strategic

Partnership will bring even more benefits for both Malaysia and the UAE.

## **MADANI ECONOMIC FRAMEWORK TO PROPEL MALAYSIA'S FUTURE SUSTAINABLE & INCLUSIVE GROWTH**

Ladies and Gentlemen,

6. This morning, our YAB Prime Minister launched the **MADANI Economy: Rakyat Empowerment** Framework that will address the structural reforms required to stop the country's dangerous economic cycle of high cost, low salary, low profit and less competitive value. Admittedly, several of these issues were made worse by the pandemic.
7. The MADANI Economic Framework seeks to achieve two broad objectives, which are **firstly, to restructuring the economy towards developing Malaysia as a leading economy in Asia**, and **secondly, to ensure that there will be positive economic spillover to our people**.
8. I am happy to share that many of the key initiatives announced are directly within MITI's purview, which include:

- a. Firstly, the establishment of a **special financial zone in Johor to attract global investors and knowledge workers to reside in Malaysia.**
- b. Secondly, a **RM100-million initial allocation for upgrading existing industrial infrastructure to be 'greener' as well as enhancing human capital development to meet investors' needs.** Target areas include the petrochemical sector in Kerteh, Terengganu, data centers in Sedenak, Johor and the downstream rubber industry in Kuala Nerang, Kedah.
- c. Third, **Penang** will be nurtured to move beyond lower value Outsourced Semiconductor Assembly and Test (OSAT) and **to focus more on high-value semiconductor industries such as IC design.**
- d. Four, the government will allocate **RM1 billion to finance, cultivate and internationalize startups and local SMEs to spur export growth.** This RM1 billion will be matched by private funds to support local startups and promote technopreneurs.

- e. **Five**, the Government will also implement **state-focused industrial policies to reduce the development gap between developed and underdeveloped states**, such as strengthening the **O&G downstream industry in Sabah and Terengganu**; or increasing **value-added activities in the E&E sector in Kulim and Bayan Lepas**.
- 12.** I am happy to share that in achieving all these, the Government will focus on **encouraging both Domestic Direct Investment (DDI) and Foreign Direct Investment (FDI)**. MITI is pleased that **DDI will become one of our Key Performance Indicators (KPI)** because nothing spells confidence in our investment policies than our own domestic investors ploughing their money back into their country.
- 13.** On this score, **Government-Linked Companies (GLCs) and Government-Linked Investment Companies (GLICs) are also expected to drive DDI** and support the development of local vendors in strategic sectors, such as **clean energy, E&E, digital economy and aerospace**.

14. There will also be **tax breaks for firms creating high-income jobs in this country**, as well as a **review of existing investment incentives to ensure a better win-win situation** for both our people/businesses and investors.
15. All these measures, and more, aim to make Malaysia **among the top 12 economies in the world in terms of competitiveness and investors' ease of doing business**, as well as the in the **top-30 economies globally in the medium to longer-term**.

## **NIMP2030 WILL BRING TO LIFE MANY OF MADANI ECONOMIC FRAMEWORK ASPIRATIONS**

Ladies and Gentlemen,

9. Let me now share how MITI plans to bring the investment, industry and export-related measures to life via our upcoming policies. In roughly a month's time, the Prime Minister will launch the **New Industrial Master Plan 2030 (NIMP2030)**. This Master Plan will outline MITI's strategic direction for the sustainable and inclusive growth of the manufacturing sectors right through to 2030.

10. How is the **NIMP2030** different from previous industrial master plans? For a start, we will move away from the nation's previous sector-based approach and adopt **a mission-based approach to drive our industrial transformation.**
  
11. And today, I would like to briefly elaborate on the NIMP's **third mission, which is for the manufacturing sector to transition towards our net zero future.** On this front, the NIMP will prioritise innovative projects such as **renewable energy, circular economy practices, and carbon capture, utilization, and storage.**

### **NIMP2030 MISSION #3: PUSHING FOR NET ZERO**

Ladies and Gentlemen,

12. The NIMP's goal is to build a greener, decarbonised economy that aligns with the global sustainability agenda. This includes achieving as many of the UN's Sustainable Development Goals (SDGs) as possible by 2030, and Malaysia's net-zero emissions target by 2050.
  
13. This is a key thing to note, as global investments are increasingly shifting towards the green energy transition. The



International Energy Agency projects more than US\$1.7 trillion will be invested in clean energy this year. That's an increase of more than 50% from last year.

14. To make Malaysia the preferred destination for greener investments, the NIMP has outlined various institutional changes and a robust execution plan. And we know that **at the heart of green and sustainable manufacturing is the large-scale development and supply of our very own clean or renewable energy technology.**
15. Further, another key Ministry that we are working closely with – the Natural Resources, Energy and Climate Change Ministry (NRECC) – has also just announced Malaysia's **National Energy Transition Roadmap (NETR)**, which will complement the NIMP2030.
16. **The equation is simple: Without a secure supply of energy, there will be no economy.** And what better way to secure our industrial energy supply than to focus on Renewable Energy?

## **THE PRIVATE SECTOR AS PARTNERS FOR MALAYSIA'S NET ZERO PUSH**

Ladies and Gentlemen,

17. This is where the collaboration between Citaglobal and MASDAR is extremely important because they will be among those leading the charge into this new, valuable industry.
18. MASDAR is known as the Abu Dhabi Future Energy Company, and for good reason. As Tan Sri Norza mentioned just now, MASDAR is a true powerhouse in the clean energy space. Under the stewardship of the UAE and Abu Dhabi government's, MASDAR has become a global leader in renewable energy and sustainable development.
19. As such, MITI perceives both Citaglobal and MASDAR as strong partners and allies in diversifying Malaysia's energy sources, while contributing to our economic complexity, to achieve the strong, sustainable growth that we envisage via the NIMP2030.
20. This is why I am so pleased to see that Citaglobal has been working hard on their collaboration with MASDAR. Indeed,

Malaysia supports innovative, technology-driven companies that are venturing into the clean energy space.

21. Clean energy is, indeed, in Citaglobal's DNA. In April this year, I had the pleasure of launching Citaglobal Genetec BESS's battery energy storage system – MYBESS – Malaysia's first locally developed and produced large-scale capacity battery energy storage system.
22. As I had mentioned during MYBESS launch, that project would certainly contribute to **Malaysia's improved re-positioning in high-technology industries and the global value chain.**
23. I am proud to see that since then, Citaglobal has forged some key alliances with international and local partners, including PETRONAS.
24. This MOU with MASDAR is the latest milestone for Citaglobal. It creates the potential for Citaglobal to work with MASDAR on future RE projects around the world, including projects involving battery energy storage systems.

25. Thanks to the work of Citaglobal and its partners, Malaysia is now one step closer to achieving the goal of becoming a hub for advanced technologies and transforming into a high-income nation.

## **CLOSING**

26. In closing, I would like to extend MASDAR a very warm welcome as an investor in Malaysia. Congratulations again to Citaglobal and MASDAR.

27. I wish both of you every success in your partnership and in helping Malaysia develop the capacity for not just green energy, but green energy security.

Thank you.