



**MINISTRY OF  
INVESTMENT, TRADE AND INDUSTRY**

**SPEECH BY**

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MINISTER OF INVESTMENT, TRADE AND INDUSTRY MALAYSIA**

**AT THE  
OFFICIAL LAUNCH OF THE FIRST ELECTRIC  
HEAVY DUTY PRIME MOVER**

**11 JULY 2023  
SHAH ALAM**

**Mr Johan Selvén,**

Vice President, Truck Sales and Marketing, Volvo Trucks International

**Mr Anthony O'Connell,**

Managing Director, Volvo Trucks Malaysia

**Mr Loo Yong Hui,**

Group Chief Executive Officer, Swift Haulage Berhad

Members of the Media, Distinguished guests

Ladies and Gentlemen.

## **INTRODUCTION**

Assalamualaikum Warahmatullahi Wabarakatuh. Salam sejahtera and salam Malaysia Madani and a very good afternoon.

1. Firstly, my sincere thanks to Volvo Trucks Malaysia for your warm welcome and for the opportunity to witness first hand, the launch of your very first electric prime mover for the Malaysian and Southeast Asian markets.
2. As you can tell, any initiatives around green technology excites us, as sustainability is a crucial pillar under our New Investment Policy (NIP), which was launched last year, and the upcoming New Industrial Master Plan 2030 (NIMP2030) .
3. Sustainability requires a commitment to invest in environmental, social and governance (ESG) best practices. Beyond benefitting the environment and

communities, sustainability is also good for business. A realisation that I am encouraged to see gaining greater traction today.

## **COMMITMENT TO ELEVATE INVESTMENT ATTRACTIVENESS**

Ladies and gentlemen,

4. At this juncture, I would like to take a moment to acknowledge Volvo Trucks Malaysia and the foundation you have built as a long-term investor in Malaysia over the past five decades.
5. I understand the brand first entered Malaysia in 1969. Today, we see that the brand has successfully become one of Malaysia's leading heavy duty truck providers and a key supporter to our logistics and industrial transportation ecosystem. Volvo Trucks Malaysia's longevity and commitment is to be admired, and for that we applaud you!
6. We are deeply encouraged by the value you continue to see in Malaysia. As the custodian and promoter of investments in Malaysia, MITI is committed to support current investors, like Volvo Trucks, and potential investors by creating a high-value growth ecosystem.
7. At MITI, we are focused on ensuring Malaysia remains a competitive destination for high-value investments which can deliver sustainable and holistic economic growth. Recognising global headwinds, we are intensifying our efforts to increase the nation's resilience and competitiveness, guided by our 12<sup>th</sup> Malaysia Plan, NIP, as well as the NIMP2030. Both the NIP and NIMP2030 policies aim to introduce institutional reforms around improving the ease of doing business and

developing industries to become more complex, high-tech and sustainable, aligned with our national aspirations.

8. To do this, MITI remains open to constructive feedback. So, we welcome investors to share their experiences and suggestions on how we can improve the manufacturing and industrial ecosystem in Malaysia. We look forward to hearing Volvo Trucks Malaysia's inputs on this as a long-standing investor.

## **PROMOTING EV INVESTMENTS**

Ladies and gentlemen,

9. The National Automotive Policy 2020 (NAP 2020) has highlighted progressive trends of mobility evolution moving towards an integrated and connected approach, to reshape the way people use and think about vehicles. The post-pandemic change in lifestyle, for example, has indirectly spurred the growth of online shopping and the demand for commercial vehicles for logistic services.
10. To respond to these trends, the NAP2020 strongly underscores the development of new mobility solutions that are efficient, sustainable, and customer-centric. This includes the promotion of Energy Efficient Vehicles (EEV) coupled with connected and autonomous vehicles namely Next Generation Vehicles (NxGV) including electric vehicles (EV) as well as Mobility as a Service (MaaS).
11. Related to all those is Malaysia's pledge to become a net-zero carbon emissions nation as early as 2050. Representing the transportation

segment, electric and energy efficient vehicles are a key contributor to realising this ambition.

12. Additionally, there are also opportunities in the ASEAN electric vehicle (EV) market, which is forecast to grow to US\$2.7 billion (RM11.77 billion) by 2027, from roughly US\$500 million in 2021; with a compound annual growth rate of almost 33% for the 2022-2027 period.
13. In Malaysia, the government is committed to driving the efforts of attracting EV investments and achieving the national target of 15% of the total industry volume (TIV) for EVs and hybrids by 2030.
14. In this light, it is crucial that we develop policies to support investment choices that not only tick the right boxes in terms of creating higher-paying jobs, but also provide long-term, sustainable economic stability.
15. By working together with partners such as Volvo Trucks and other stakeholders like Swift Haulage in the ecosystem, we have the potential to create positive economic spillovers. This includes transferring technology, providing high-impact jobs, offering investment opportunities, and increasing exports, all in line with our NIP and NIMP2030.

Ladies and gentlemen,

16. A plan is only as good as its execution. This is why the National EV Taskforce (NEVTF), comprising MITI and other relevant ministries and agencies as well as industry association, is formed and tasked with reviewing and implementing the strategies that keep our EV industry competitive and relevant.

17. To affirm the seriousness of the Government in promoting EV in the country, the Government has agreed to elevate NEVTF to a higher Task Force that comprises Ministers and highest-ranking officials in relevant ministries to be members of a National Steering Committee on EV Development (NEVSC). The main purpose of this Cabinet Committee is to address multi-ministerial, cross-cutting issues which may need a wider collective resolution.
18. Public-private collaborations such as NEVTF and NEVSC are crucial to advancing Malaysia's EV industry, economic development and net-zero emissions ambition.
19. Specifically in the logistics industry, the Government is aware that the adoption for commercial EVs such as trucks and busses is still low. As such, we commend Volvo Trucks' leadership, commitment and investment in making the logistics industry more sustainable, particularly in supporting our New Industrial Master Plan 2030's net zero agenda.
20. Volvo Trucks' technology-sharing will also help advance the collective knowledge on commercial EV's in Malaysia, paving the way for a more vibrant EV industry, while enhancing our domestic SME EV supply chain and providing higher-paying jobs for Malaysians.
21. On that score, we also thank Volvo Trucks for your continuous efforts to help the segment transition towards greener commercial vehicle fleets, such as the use of fossil-free steel.

22. I was made to understand that currently, about 30% of the materials in a new Volvo truck come from recycled materials. But at the end of its life, up to 90% of a truck leaving the factory today can be recycled. Thank you, Volvo because this is exactly what we are looking at in achieving the NIMP2030's "Push for Net Zero" objective.
23. I was also informed that these trucks are currently imported in CBU form. I was also told that you have 100 units AP under Market Research Pre-Assembly (MRA), which are planned for local assembly later. I hope this will pave the way for full CKD local assembly, which MITI looks forward to facilitating.

## **CLOSING REMARKS**

24. Before I conclude, I wish Mr Johan Selven, Mr Anthony O'Connell and the Volvo Trucks team success in what I believe is the start of a promising journey towards carbon neutrality. With a 300-km range on full charge, that should also ease your clients' range anxiety.
25. I would also like to also take the opportunity to applaud Swift Haulage Berhad Group CEO, Mr Loo Yong Hui, for setting an example to the industry as an early adopter of electric commercial vehicles. May this be an inspiration and encouragement to all parties to begin the transition sooner rather than later.
26. I am hopeful that together, we are moving forward towards a sustainable, and more resilient future for our nation. Thank you.