



MINISTRY OF INVESTMENT,
TRADE AND INDUSTRY

KEYNOTE SPEECH BY

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AT THE

**INTERNATIONAL HEALTHCARE WEEK (IHW) 2025
OPENING CEREMONY**

16 JULY 2025 (WEDNESDAY)

GRAND BALLROOM

**MALAYSIA INTERNATIONAL TRADE & EXHIBITION
CENTRE (MITEC)**

Bismillahir Rahmanir Rahim

Madam Margaret Ma Connolly

President & CEO of Informa Markets in Asia

YBhg. Tan Sri Dato' Sri Dr. Hj. Mohd Nasir Mohd Ashraf,

Organising Chairman, Informa Markets Malaysia Sdn. Bhd.

YB Dato' Seri Reezal Merican Naina Merican

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CEO of MATRADE

MATRADE's Board of Directors, Heads of Government Agencies,

Your Excellencies, Ambassadors, High Commissioners,

Representatives from Chambers of Commerce and Trade Associations,

Distinguished guests, members of the media, ladies and gentleman.

Assalamualaikum Warahmatullahi Wabarakatuh, Good Morning and Salam Malaysia Madani.

1. I am happy to be here at the opening ceremony of the International Healthcare Week (IHW) 2025 — a milestone event that reflects both Malaysia's growing stature in the global healthcare landscape and our bold ambition to position ASEAN as a global trade partner.

2. IHW 2025 is not just an event; it is a declaration that Malaysia is ready to lead, to collaborate, and to build a healthier, more resilient future not just for our nation, but also for the world.
3. To our international guests and industry leaders, I warmly welcome all of you, and thank you for your continued confidence in Malaysia as a strategic partner for innovation, investment, and inclusive growth in healthcare.

Global Trade and US Reciprocal Tariffs

Ladies and gentleman,

4. In recent months, the global trading landscape has been roiled by the U.S. reciprocal tariffs, including on certain Malaysian exports. While we are actively engaging with our U.S. counterparts in good faith to seek clarity, minimise disruption, and reach a mutually beneficial outcome, there are a few points I wish to highlight.
5. So, allow me to share **three key points** on this matter:
 - a. **Firstly, trade negotiations are a complex multi-stakeholder process** – relevant ministries and agencies must be consulted to minimise conflict, and to ensure a smooth implementation post-negotiation. For context, the **average duration for a regular trade negotiation is 18 months**. For MITI, the fastest on record thus far is 11 months.

- b. **Secondly, there are several red lines that the MADANI Government will not cross in trade negotiations.** We will not sacrifice the country's sovereignty, or sideline other trading partners in trying to close a trade deal. **Our people's rights, our country's sovereignty and trust with our valued partners are NOT BARGAINING CHIPS.**
 - c. **Thirdly, the devil is always in the details.** Our negotiating stance is always to **ensure that whatever deal we land on will support the country's economic reforms and sustainable growth policies.** Catchy, feel-good headlines last a few days, a week at the most. But **poor deals will have long-term consequences on our people, industries and economy** – I am certain negative long-term outcomes are not the public wants, nor what current and future taxpayers need.
- 6. Our objective is simple: we want to **ensure that any agreement supports an open, rules-based and fair, multilateral trade – with WTO at its core.** The agreement must also safeguard market access, while recognising the need of emerging countries like to Malaysia to develop sustainable supply chains and economies.
- 7. Just like other countries, **we value our economic ties with the US.** In 2024, total Malaysia-US trade rose nearly 30% to RM324.9 billion (USD71.4 billion), with Malaysia being an important source for key products such as E&E (+ semiconductors); machinery and equipment; rubber gloves, wood-based products and palm oil.

8. But **Malaysia has also been an important production base for American investments for at least five decades.** From 1980 – 2024, there have been 169 American investment projects in Malaysia (Value: RM77.5 billion), in sectors such as E&E, machinery, and scientific equipment.
9. For almost 50 years, these companies have received various investment incentives (e.g., Pioneer Status, Investment Tax Allowance, Automation Capital Allowance, R&D Status and high-impact grants) cumulatively valued at RM4.1 billion. Annual incentives (e.g., tax, grants, R&D, automation) in recent years have been between RM800,000 – RM1.2 billion.
10. So, we will continue to uphold the **principles of positive reciprocity and fair competition** while **working alongside industry to innovate, diversify, and maintain our resilience** in the global market.
11. These developments are also strong reminders of **how and why we must always be ready, agile, and adaptable** to external shocks. But how can we achieve all these?

Key Opportunities from Tariff Challenges

Ladies and gentleman,

12. Speaking of agility, our broader trade strategy is made up of a few initiatives. **One** is the setting up of the National Geoeconomic Command Centre (**NGCC**) — chaired by YAB Prime Minister and

supported by key ministries and agencies to coordinate timely, official responses to the tariff matter.

13. **Two**, we continue to forge **high-impact economic partnerships to expand our global footprint and diversify our markets**. This year alone, Malaysia signed the Malaysia–UAE Comprehensive Economic Partnership Agreement (CEPA) and the Malaysia–European Free Trade Association (EFTA) Economic Partnership Agreement (MEEPA) with Switzerland, Norway, Iceland, and Liechtenstein.
14. **Three**, the tariff issue has encouraged Malaysia to **speed up our industrial reform agenda**. Just yesterday, we shared our Q2 Report Card with the media. I am proud to share that, for example, year-on-year metrics tracked on the manufacturing sector include a 4.1% increase (RM3.8 billion) in value-added GDP; a 50,000-worker increase; and a 4.5% rise in median wage from RM2,600 to RM2745.

Healthcare Industry's Immense Potential in Malaysia

Ladies and gentleman,

15. So, **how does the healthcare sector fit into our industrial reform agenda?** Let's look at the macro data first. The **global medical devices market** is projected to grow 63% from **RM2.53 trillion in 2024 to RM4.13 trillion by 2032¹**. And the global healthcare sector has proven to be not only resilient but also transformative, offering immense opportunities in medical devices, pharmaceuticals, biotechnology, and digital health solutions.
16. Thanks to our strong industrial reform agenda, robust industrial ecosystem, progressive policies, investor-friendly environment and a skilled, industry-ready workforce, **Malaysia's healthcare industry is well-positioned to capture this growth**. From pharmaceuticals and medical devices to healthcare services and medical tourism, this sector is a catalyst for high-value job creation, innovation, and exports.
17. So, I am happy to share that in **2024** alone, the medical devices and pharmaceutical industries garnered **RM2.13 billion in combined investments**—creating **over 2,700 high-value jobs** across manufacturing, R&D, and regulatory services. Today, eight (8) of the world's top 30 medical device companies have established operations in Malaysia.

¹ Report by SkyQuest Technology

18. We are **home to over 300 healthcare companies**—comprising both MNCs and domestic players. Our MNC partners lead in producing advanced products, from anaesthesia disposables to digital health technologies.
19. This is no accident — it is the result of a well-developed manufacturing ecosystem, supported by, for example, strong E&E suppliers; the region’s largest medtech talent pool; as well as our homegrown medical devices’ champions.
20. In fact, **our pharmaceutical exports for Jan-May 2025**, too, have **increased by 7.8%**. This is also due to our industrial reform initiatives. Reforms build industrial resilience, which in turn feeds into our exports’ resilience.
21. All that I have shared are reasons on why we wanted to host the International Healthcare Week (IHW)—the first of its kind in Malaysia. IHW is not just a healthcare event. It is a strategic platform that brings together global thought leaders, innovators, policymakers, and investors to shape the future of the region’s healthcare. It reflects our commitment to drive innovation, accelerate growth, and forge global partnerships that will define the next chapter of Malaysia’s healthcare story.

Malaysia's ASEAN Chairmanship

Ladies and Gentlemen,

22. As you may already know, Malaysia is the Chair of ASEAN for 2025. As Chair, we plan to forge better regional collaboration, particularly to build ASEAN's resilience as an economic bloc.
23. The US tariffs have, for sure, thrown a spanner in our region's growth trajectory. But the Chair of the Economic Pillar is still responsible for charting the future direction of the ASEAN Economic Community. **Our economic stability** is important not only for **ensuring prosperity**, but also for **promoting regional peace and stability**.
24. As Chair, Malaysia has a valuable opportunity to reinforce ASEAN's central role in **navigating global uncertainties**, and **in deepening economic integration**, such as through the IHW 2025. We also want to ensure that no member state is left behind as we advance together towards a more united, resilient, and future-ready Southeast Asia.

Closing

Ladies and gentleman,

25. I feel that IHW 2025 represents more than an exhibition - it is a call to action for us to **strengthen collaboration, accelerate innovation** and ensure that our healthcare systems remain **inclusive, sustainable and future-ready**.

26. I am proud that Malaysia is playing host to this global gathering, and I am confident that over the course of the next few days, this platform will generate meaningful dialogue, strategic partnerships and tangible business outcomes that benefit all participants.
27. Before I conclude, I would like to extend my sincere appreciation to all our partners, government agencies, industry leaders, international exhibitors and the diplomatic community, for your support in making this event a reality. A special thank you goes to MATRADE and Informa Markets for delivering this world-class event. Let us work together to shape a healthier, more connected and innovative future for ASEAN and the world.

Wabillahitaufik walhidayah. Wassalamualaikum wbt.

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