



KEYNOTE ADDRESS

**MALAYSIA AEROSPACE SUMMIT 2022
(MyAERO'22)**

**YB DATO' SERI MOHAMED AZMIN ALI
SENIOR MINISTER
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY**

**16 AUGUST 2021 (TUESDAY)
(13:10 - 13:20 Hrs)**

**GRAND BALLROOM
LEVEL 3
KUALA LUMPUR CONVENTION CENTRE (KLCC)**

YBhg. Dato' Sri Norazman Ayob
Deputy Secretary General (Industry), MITI

Datuk Arham Abdul Rahman
Chief Executive Officer, MIDA

Dato' Charon Wardini
Group Managing Director, MIDF Berhad

Head of Agencies,
Captain of Industries,

Distinguished Guests, Ladies and Gentlemen.

1. Pada petang ini, saya gembira dapat bersama-sama dengan pemegang taruh industri aero-angkasa khususnya pakar-pakar dalam industri berteknologi tinggi ini, pemain-pemain industri aero-angkasa tempatan dan global dan juga para usahawan yang berani menceburkan diri dalam industri yang cukup mencabar tetapi sarat dengan peluang-peluang baru yang berinovasi dan nilai tambah. Sidang kemuncak aero-angkasa tahun ini memberi fokus kepada kemampuan industri aero-angkasa ketika Malaysia melangkah maju ke hadapan.

2. The aerospace sector is one of the key manufacturing sub-sectors in our national policies that aim to position Malaysia as a regional powerhouse within the global industry supply chain. MITI has been relentless in efforts to advance the local aerospace industry, pulling out all the stops to ensure that it moves in tandem with the burgeoning global demand.

3. Last year, the industry accumulated RM104.7 million worth of investments while total trade for the sector was RM13.84 billion. At last month's Farnborough International Airshow 2022, Malaysian companies secured a further RM572.6 million worth of business deals. RM2 billion worth of manufacturing work packages and MRO business has been awarded to the local aerospace industry during the pandemic. This includes RM600 million worth of MRO expansion projects which are expected to be implemented by the fourth quarter of 2022.

4. Despite the challenging economic landscape and operating environment for the past 2 years, our aerospace industry has remained competitive and resilient. I am elated to be able to congratulate UMW Aerospace and Aerospace Composites Malaysia for winning the 2021 Supplier Excellence Award from Rolls-Royce and Boeing respectively. This reminds us

yet again, that Malaysia is home to a world leading aerospace industry.

5. Malaysia's trade and investment performance has been on an upward trajectory and MITI is confident the momentum will stay on course. Nonetheless, we should be vigilant of the headwinds and downside risks due to external global developments such as inflation, disruptions to global supply chain and logistics as well as uncertainties arising from geopolitical tensions.

6. In light of this, MITI will focus on three broad areas in terms of policy direction and strategic initiatives in the near term. These are trade and sustainable development, supply chain resiliency and human capital development. Let me reiterate that MITI will do its utmost to accelerate the growth of the aerospace industry with the introduction of various initiatives currently being implemented under the 12th Malaysia Plan (12MP), including enhancing high skilled employment and propelling economic growth that will be in coherence with the three focus areas.

7. In addition, under the Malaysian Aerospace Industry Blueprint, Malaysia aims to become Southeast Asia's top aerospace nation by 2030, thus, emerging as an integral part of the global aerospace supply chain. The Blueprint targets a total revenue of RM55.2 billion and the creation upwards of 32,000 high-income jobs.

8. Hence, pursuant to the National Investment Aspirations, investments in high economic complexities and integration of local industries to regional and global supply chains will be encouraged. In-depth sectoral roadmaps for the aerospace sector have been developed in line with ESG agenda. Thus, ICAO's Long-Term Aspiration Goal to reduce aviation's CO₂ emission reflects the global commitment towards reduction of the industry's carbon footprint.

9. In tandem with international commitments and our nation's aspiration towards net zero green house gas emissions by 2050, I wish to **announce the formation of the Sustainable Aviation Energy Task Force led by MITI**. This taskforce will provide policy recommendations and coordinate public-private partnership national projects to achieve the said target. As this includes the production of Sustainable Aviation Fuel (SAF) in Malaysia, I am glad to acknowledge that Petronas has agreed to join us on this exciting journey.

Ladies and gentlemen,

10. I was recently updated of the strong ramp up requirements of Airbus and Boeing coming out of the pandemic, indicating unprecedented rates of production. This is a great opportunity for our supply chain to achieve new levels of competitiveness. As our Tier 1 and Tier 2 companies are growing from strength to strength, I urge the lower Tier suppliers to meet the complete value chain outsource requirements to secure long-term sustainability. I am encouraged to hear that companies like Curge Advance, T7 Aerospace and Micron Concept rising to this challenge and encourage more to do so. MITI will continue engaging with the OEMs to encourage workflow to Malaysia and further boost the industry.

11. Towards this end, it is imperative to keep the supply chains resilient, open and dynamic. In this vein, it is significant that a Memorandum of Cooperation with the United States on the Resilience of the Semiconductor Supply Chain was recently signed between me and US Commerce Secretary Gina Raimondo. This MOC will ensure that we not only secure the supply chain for semiconductors, but more importantly, their availability for commercial use in other sectors including aerospace.

Ladies and gentlemen,

12. MyAERO'22 provides a strategic platform for the Malaysian aerospace community to learn from subject matter experts of best practices to elevate organisations, integrate technologies and enhance talent. I am delighted to learn that this year's edition provides for career opportunities in the aerospace industry for graduates and job seekers to catalyse the achievement of our employment targets under the National Aerospace Blueprint.

13. As we approach the celebration of Malaysia's 65th independence, let us remember that this aerospace journey has been just as long, from the establishment of our national carrier, Malaysian Airways in 1963. Through that journey we have increased the complexity of our industry from purely line and base MRO to today's component repair and manufacturing.

14. As we advance further in our high-tech trajectory, the advent of the Drone Tech industry has seen Malaysian companies take global leadership position, placing us strategically in the competitive global arena.

Ladies and Gentlemen,

15. As the saying goes, time and tide wait for no man. Hence, we must strike when the iron is hot and I sincerely believe that the aerospace industry is poised for a new take off. With MITI's resolute commitment and your conviction and drive to take it to the limit, I am confident that we will succeed. On that note, wishing you all a dynamic and productive Summit, I hereby declare MyAERO'22 officially open.