

**OPENING REMARKS BY
YB DATUK DARELL LEIKING
MINISTER OF INTERNATIONAL TRADE AND INDUSTRY**

**AT THE
LAUNCH OF INDUSTRY4WRD
NATIONAL POLICY ON INDUSTRY 4.0
31 OCTOBER 2018, PERDANA HALL MITI**

Salutations

Yang Amat Berhormat Tun Dr. Mahathir bin Mohamad
Prime Minister

My Cabinet colleagues

Yang Berhormat Dr. Ong Kian Ming
Deputy Minister of International Trade and Industry

Yang Berbahagia Dato' Soh Thian Lai
President, Federation of Malaysian Manufacturers (FMM)

Your Excellencies

Honourable guests

Members of the media

Ladies and gentlemen

A very good morning and a warm welcome to MITI

1. First of all, we are honoured with the presence of Yang Amat Berhormat Tun Dr. Mahathir Mohamad, the Prime Minister of Malaysia, who is here with us today to launch the National Policy on Industry 4.0 or as we have named it Industry4WRD. YAB Tun's presence here speaks volumes of the importance of this Policy in shaping the future of industry.

2. I also would like to welcome all of you, our distinguished guests, for joining us here today and be part of this momentous event. I hope you feel as honoured as I am to be part of this significant moment.
3. A special word of thanks to the Federation of Manufacturers Malaysia (FMM) for jointly organising this Launching Ceremony, as well as the key Ministries, Agencies and academia who have been working closely with MITI throughout the policy formulation process.
4. I would also like to express my appreciation towards the exhibitors who are showcasing their latest technologies and solutions at this event, also not forgetting the speakers who will be sharing their knowledge and experience on Industry 4.0.

Fourth Industrial Revolution and Industry 4.0

Ladies and Gentlemen,

5. The Fourth Industrial Revolution or 4IR has been a centrepiece of conversation at numerous forums including the World Economic Forum (WEF). It is a phenomenon that has caused disruptive systemic change in several areas including economics, social, geo-political and ecosystem.
6. Like the revolutions that preceded it, 4IR has the potential to raise global income level and improve the quality of life for population around the world with the right push. Therefore, consumers who have access to the digital world have gained the most from it. This is exemplified for instance, by autonomous robots that have enhanced agility, senses and intelligence, as well as autonomous vehicles or self-driving cars that are capable of sensing the environment to perform tasks that previously required human intelligence, such as rules-based decision making.
7. The Readiness for the Future of Production Report 2018 by WEF and A.T. Kearney highlighted that the development of new production techniques and business models are increasing due to the emerging technologies that are changing the global production landscape and driving new, more distributed and connected value chains. The Report positions Malaysia in the “Leader” quadrant, with a strong current

production base and well-positioned for the future. However, Malaysia's economic value is at stake if it is unable to transform itself in an accelerated manner.

Industry4WRD: National Policy on Industry 4.0

Ladies and gentlemen,

8. The formulation of the National Policy on Industry 4.0 is a collaborative effort between the Government, industry and academia. The process started about a year ago where extensive discussions and consultations with relevant stakeholders as well as benchmarking with other countries were undertaken.
9. Looking at where our industries are now and mapping it against global megatrends of Industry 4.0, Government intervention was crucial at this juncture to push businesses to remain competitive in the long run. With this in mind, my Ministry, the Ministry of International Trade and Industry (MITI), in collaboration with several other key Ministries and agencies, took the first step in developing the Industry4WRD: The National Policy on Industry 4.0 to chart Malaysia's digital transformation in the manufacturing and services sector.
10. Industry4WRD is tailored to Malaysia's context and needs of our industry to move forward, focusing on the manufacturing and manufacturing related services. As a Policy, Industry4WRD provides an agile framework that will remain relevant in the future. The four (4) specific overarching goals are:
 - (i) Drive continuous growth in manufacturing GDP;
 - (ii) Increase national productivity;
 - (iii) Create high skill employment opportunities; and
 - (iv) Raise innovation capabilities and competitiveness.

11. The overarching philosophy of Industry4WRD is threefold:

- (i) **Attract** stakeholders to Industry 4.0 technologies and processes;
- (ii) **Create** the right ecosystem for Industry 4.0 technologies to be adopted and to nurture innovations; and
- (iii) **Transform** capabilities of the manufacturing industries to be Industry 4.0-ready.

Ladies and Gentlemen,

12. This journey of Industry 4.0 adoption is anchored on three shift factors: People, Process and Technology. The Policy outlines thirteen broad strategies for Malaysia to embark on a journey that will transform the manufacturing industry landscape over the next decade. Through the five strategic enablers, F.I.R.S.T., targeted action plans have been developed to address the areas of **Funding**, **Infrastructure**, **Regulation**, **Skills and Talent** and **Technologies** surrounding Industry 4.0.
13. Several important measures identified in the Policy include strengthening the digital connectivity, enhancing capability of existing workforce and developing new talents and skills, improving data integrity and standards, intensifying research, innovativeness and technological development programmes and activities.
14. It was not just the Policy that MITI has developed. The first step to realising the Policy is to understand where our manufacturers are in terms of Industry 4.0. To establish a baseline of our manufacturers, we have developed Malaysia's Industry4WRD Readiness Assessment Guidelines that will enable businesses to assess where they are, what are the current gaps existing in their manufacturing line and how can they move into Industry 4.0 through targeted intervention of experienced assessors.
15. The Industry4WRD Council comprised of Government officials, industry players and academia will be the oversight in implementing, monitoring and managing the action plans under the Policy. This will

further elevate our nation's competitiveness and productivity in our journey to become a developed nation in the near future.

Closing Remarks

Ladies and Gentlemen,

16. I would like to take this opportunity to once again record my appreciation towards the joint effort of both the public and private sectors in developing the Industry4WRD Policy. Our work has just begun. I welcome a strong collaboration between both the sectors in ensuring the successful implementation of the Industry4WRD policy.
17. Allow me to also use this occasion to announce the upcoming rebranding of the Malaysia Automotive Institute (MAI) to Malaysia Automotive, Robotics and IoT Institute (MARii). Apart from its current role as a think tank for the automotive sector, MARii will also be undertaking the role in uplifting the adoption of robotics and IoT in Malaysia.
18. Before I end my speech, let me once again extend my appreciation to Yang Amat Berhormat Tun on his support in gracing this occasion today. Also thank you all for your time and presence. Your support is our strength.

Thank you.