

#### **KEYNOTE ADDRESS BY**

# YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL TENGKU ABDUL AZIZ

MINISTER OF INVESTMENT, TRADE AND INDUSTRY

#### FLAGSHIP INVESTMENT SEMINAR:

## THE INDUSTRIAL CLUSTER DEVELOPMENT INITIATIVE IN THE CENTRAL REGION

Theme: Central Region – Innovating Industries, Connecting

Markets

11 NOVEMBER 2025 (TUE), 10.15AM
ROYALE CHULAN HOTEL KUALA LUMPUR

Yang Amat Berhormat Menteri-Menteri Besar Selangor, Negeri Sembilan, Ketua Menteri Melaka, dan Menteri di Jabatan Perdana Menteri (Wilayah Persekutuan);

Yang Berbahagia Datuk Sikh Shamsul Ibrahim Sikh Abdul Majid, CEO of MIDA;

Captains of the industry;

Members of the media;

Distinguished guests;

Ladies and Gentlemen.

Assalamualaikum w.b.t, Selamat pagi and Salam Malaysia MADANI

#### INTRODUCTION

- Alhamdulillah. Pada pagi ini, saya amat berbesar hati dapat bersama-sama anda semua dalam majlis pelancaran Inisiatif Wilayah Tengah yang bersejarah ini. Kehadiran para pelabur, pemimpin industri, dan rakan-rakan diplomatik di sini pagi ini mencerminkan keyakinan terhadap masa depan industri dan ekonomi Malaysia.
- 2. Inisiatif yang dilancarkan hari ini adalah pengiktirafan terhadap peranan kritikal Wilayah Tengah sebagai enjin pertumbuhan ekonomi negara, dan komitmen bersama kita untuk menjadikan wilayah ini sebagai destinasi pelaburan utama di rantau ini.
- 3. Allow me first to record my appreciation to MIDA, the Department of Federal Territories, and our partners from Selangor, Negeri Sembilan, and Melaka for co-creating this first-ever Central Region Programme. Malaysia succeeds when we work together. Today is that spirit in action—federal and state leadership, industry and investors, agencies and academia—aligned around a single objective: to unlock the Central Region's full industrial potential and translate it

into better jobs, stronger supply chains, and higher value creation for Malaysians.

4. The Central Region has always been the **pulse** of Malaysia's industrial story, home to our densest concentration of talent, infrastructure, logistics nodes, universities and research centres. But above all, it is home to the **spirit of partnership** that has kept Malaysia competitive through changing cycles.

### REGIONAL ENGAGEMENTS REINFORCING MALAYSIA'S AGENDA

Ladies and gentlemen,

5. What we're launching today is a practical step—not just a policy on paper. It connects national frameworks like the New Industrial Master Plan 2033 (NIMP 2030), National Semiconductor Strategy (NSS), and GIS to the real needs of firms and workers. By linking industries and regions, we aim

to create prosperity that's felt on the ground. That's the success that counts.

- 6. Over the past few weeks, Malaysia has been at the centre of significant regional engagements that **extend the runway for what we are doing here**.
- 7. First, at the 26th ASEAN Economic Community Council (AECC) in Kuala Lumpur, ministers advanced key priorities to cut non-tariff barriers, align standards, and improve trade flows. These are not abstract Goals they directly impact how fast parts move, whether test reports are accepted across borders, and whether SMEs can join regional value chains affordably. The AECC's push on supply-chain resilience supports our efforts to strengthen local vendors and create meaningful jobs.
- 8. **Second**, under Malaysia's Chairmanship, the **47th ASEAN Summit advanced** regional connectivity and economic integration. For firms in Rawang, Serendah, Subang, and across the Klang Valley, this **means larger markets**, **smoother trade**, and clearer pathways to scale up for export.

We want **them** to see ASEAN not as borders, but as one **shared opportunity**.

- 9. Third, at APEC in Korea, leaders reaffirmed a shared push for connectivity, innovation and growth—through digital trade, trusted data flows, sustainable growth and supply-chain collaboration. For Malaysia, this opens new corridors for cluster firms—particularly in electronics, advanced manufacturing, and green tech solutions—to join regional pilots and scale innovation more affordably.
- 10. Finally, the US-Malaysia Agreement on Reciprocal Trade (ART) has boosted certainty for exporters while we continue upgrading at home. For industry, our commitment is clear: we will defend Malaysia's move up the value chain, protect policy space for industrial growth, and secure market access that reward firms investing in capability, technology, and quality jobs in Malaysia.
- 11. Taken together, these outcomes **showcase** two key points: First, **Malaysia's economic diplomacy at work with regional market groupings and** major economies. Second,

Malaysia's reforms and policy consistency. These create certainty and predictability for investors' long-term planning.

## THE CENTRAL REGION CLUSTER: ELEVATING MALAYSIA'S INDUSTRIAL ECOSYSTEM

Ladies and gentlemen,

- 12. The Central Region Industrial Cluster Development Initiative is yet another feather in our policy cap that supports how Malaysia strengthens indstrial ecosystems, deepens supply chains, and directly supports local enterprises to scale.
- 13. We at the Central Region already has strong networks of suppliers, logistics, test labs, higher-learning institutions and innovation partners. Our job is to **connect** these assets, **close key gaps**, and focus **public support on clear outcomes**—more qualified vendors, faster investment, wider tech adoption, and better talent- industry alignment.

14. A competitive cluster is a connected ecosystem: anchor firms, tier-1/tier-2 suppliers, tooling, testing, logistics, training, and R&D—all within reach. By mapping these elements, we can apot gaps in supply chains, talent pipelines, infrastructure, and innovation capacity—then take targeted steps to close them.

- 15. We are starting with sectors where Malaysia is strong and the Central Region can scale quickly:
  - a. Firstly, Electrical & Electronics (E&E): Our industrial backbone and gateway to advanced manufacturing.
  - b. Secondly, pharmaceuticals and medical products:

    The pandemic showed that health security is economic security.
  - c. Thirdly, food manufacturing and halal economy. With modern tech and standards, F&B can be a play in branding and innovation. The Central Region can lead in halal, functional foods, and export-ready products.

- 16. The KLIA-Subang-Serendah corridor exemplifies how clustering works. KLIA handles MRO, Subang focuses on aerospace manufacturing and training, and Serendah supplies precision parts. Within 50 km, parts move fast, talent grows nearby, and ideas spread quickly cutting lead times, lowering risks, and boosting productivity. That's how we build lasting advantage.
- 17. And **common, multi-use enablers** like precision engineering, automation, metrology, and materials science in the aerospace sector will also lift productivity across all three clusters mentioned earlier.
- 18. The Central Region also showcases how our three key frameworks (NIMP2030, GIS, NSS) converge: a company can scale an electronics line with NSS support, automate and upskill under NIMP, and cut energy intensity with GIS-aligned financing—all in one place, with agencies working in sync.

#### **CLOSING**

Ladies and gentlemen,

- 19. In closing, Malaysia's industrial future will not be shaped by isolated wins, but by how well we connect strengths across sectors and states. The Central Region must function as a seamless production ecosystem where components, ideas and talent move fast, suppliers scale with their customers, and policy helps firms take smarter risks.
- 20. So, make the most of today's **business clinics**, **B2B** sessions and technical briefings. Leave with a contact, a timeline, and a next step. If there is a blocker, tell us; if there is an opening, let us help you capture it. The Government's role is to facilitate, convene and accelerate—and we intend to do exactly that.
- 21. With that, thank you for your strong support. I wish you a productive day ahead.

### Thank you.