



**OPENING KEYNOTE**

**BY**

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## [SALUTATIONS]

A very good morning,

### Opening: Complexity as the New Reality

1. It is a great honour to be back here to address the distinguished Asia Summit. Thank you to our gracious host, The Milken Institute for again hosting me. This year's theme—“**Progress with Purpose: Collaboration Amid Complexity**”—could not be timelier.
2. It speaks not only to **Malaysia's own journey of renewal and economic reform**, but also the **larger path ASEAN is charting under our Chairmanship in 2025** amid global economic and trade uncertainties. For us, **progress without purpose is aimless**, and **collaboration without strategy is fragile**. It's the **deliberate alignment of purpose and partnership** that **powers progress**.
3. That world today is increasingly complex - this comes as no great surprise. The challenge to the Washington Consensus due to the **failures of globalisation, the breakdown of social cohesion** and the **revival of nationalistic populism** has led to the **old orthodoxies being discarded**. The world continues to be polarised – with countries forced to take sides, sometimes even at their own great expense.

4. **Economics and geopolitics** have never been more **correlated**. **Supply chains** and **technological choices** are now dictated by **geopolitical rivalries**. Currencies swing with conflict as much as with interest rates. Regulatory reforms can barely keep up with tech advancements at supersonic speed. Neutrality is viewed with suspicion, if not worse.
5. **All these dynamics converge to create a landscape of profound uncertainty, and instability**. Worse, even as environmental disasters strike with increasing intensity, **climate risks are being deprioritised – at humanity’s long-term expense**.
6. In such times, **how can we measure true leadership?** I would say **not by wealth, nor military power**. But rather, by our **agility to adapt to shifting tides, collaborate across divides**, and crucially, to **stay true to our purpose**, even under extreme pressure. The **nations that thrive are those that do not falter within a fragmented world order**; those that **embrace the world’s crippling complexities** as a **catalyst for reform and resilience**.

#### **Malaysia’s Strategic Economic Priorities**

7. For Malaysia, navigating this era requires clarity of purpose. Our strategy is three-pronged: **industrial reform, innovation and economic complexity, and the green strategy**.

8. Our **industrial reform efforts** are geared to retool Malaysia's industries for the challenges of tomorrow. By driving industrial upgrading, digitalisation, and sustainability, we are raising our manufacturing sophistication, accelerating technology adoption, and strengthening SMEs. Malaysia aspires not to incremental change, but structural renewal, embodying the very idea of *progress with purpose*. This is clearly guided by various policies such as the **New Industrial Master Plan 2030** (NIMP 2030), the **National Semiconductor Strategy** (NSS), and the **National Energy Transition Roadmap** (NETR). For Malaysians, the ultimate goal is better jobs and higher incomes.
9. Long a trusted hub in assembly and testing, Malaysia is now proactively **moving up the innovation and economic complexity value chain**, such as design, advanced packaging, and R&D for semiconductors. For investors, the **disciplined implementation of our industrial reforms** signals our **determination to move up the value chain**. Our push into **AI, renewable energy, and advanced manufacturing** are both a **strategic bet** and a **national mission**.
10. Our ambition is clear: to **become a true global node** where international **companies innovate with us**, and **where Malaysian talent contributes to frontier technologies**. Major global firms are already expanding in Penang and Kulim, while new players invest in chip design and high-end packaging.

11. **Third, our green transition lays the path towards a low-carbon economy. This is an opportunity to **create jobs, attract capital, and secure access to tomorrow's low-carbon markets**. Our **Green Investment Strategy** (GIS) ensures Malaysia is well-positioned to lead in renewable energy, carbon services, and sustainable finance. In short, we have **chosen to be agile and adapt to the changing world to create a better tomorrow**. We believe this is the **best way for progress** that is **purposeful, sustainable, lasting and equitable**.**

### **Cross-Border Initiatives: From Johor-Singapore to ASEAN**

Ladies and Gentlemen,

12. These national strategies are complemented by cross-border initiatives – such as the **Johor–Singapore Special Economic Zone (JS-SEZ)** – that **connect our national transformation to regional opportunities**. It's now a testbed for how ASEAN can integrate supply chains, strengthen resilience, and create high-value opportunities across borders. And of **how ecosystems of trust** — between neighbours, governments, and investors — can **improve cost-efficiency, enhance connectivity, and catalyse innovation**.
13. **Malaysia's economic story has always been one of resilience and renewal**. From the Asian Financial Crisis of 1997, to the Covid-19 pandemic, we have endured turbulence and emerged

stronger. But **survival alone is insufficient. Renewal** must be matched by **resilience**.

14. Today, **investor confidence is clearly returning**. Malaysia has risen sharply in global competitiveness rankings. Our **exports are diversifying**, with **green technologies, medical devices, and digital services** expanding rapidly as **new pillars of growth**. **Global semiconductor giants** are deepening their presence in Penang, **AI and data-centre hubs** are emerging in Johor, and **renewable energy projects** in Kedah and Terengganu are powering up homes and industrial parks.

#### **Collaboration as the Core of Malaysia Madani**

15. All these are the cumulative outcomes of **reforms anchored in *Malaysia MADANI***, our national framework for **balanced, sustainable and inclusive development**.
16. Madani's core is collaboration — because government alone cannot drive transformation. **Purposeful progress requires partnerships: between ministries and industries, innovators and investors, Malaysia and the world.**
17. The 13th Malaysia Plan (RMK-13), recently tabled by Prime Minister Anwar Ibrahim, provides the roadmap for our next phase of growth: **strengthening innovation and raising Malaysia's economic complexity.**

18. By producing sophisticated goods and services that are more competitive and resilient, Malaysia is rebuilding its working-level and middle-income population, **to stay ahead of peers, and ensure equitable prosperity.**
19. We look to the **investment community as partners in this journey.** We seek not just **capital**, but also **technology, expertise, ideas and a shared purpose** to a brighter common future for all.

### **Facing Goeconomic Fragmentation with Partnership**

20. Yet we recognise that **no nation can succeed in isolation.** In today's fractured world, **collaboration** is the only true **safeguard against goeconomic risk.** As I said at the start, the world faces a bifurcation that could undermine growth everywhere.
21. For Malaysia, the answer is **not retreat, nor retaliation, but partnership.** We will anchor ASEAN unity, as well as **strengthen and diversify our relationships** with nations that share the same aspirations, bilaterally or through multilateral platforms such as APEC, RCEP and BRICS. In an age of fragmentation, **collaboration is not a luxury but insurance against instability,** and a pathway to **multilaterally beneficial opportunities.**

## **ASEAN as a Platform for Resilience and Renewal**

22. Malaysia's story mirrors ASEAN's. Diversity and complexity have always been both a reality and strength for us. Under Malaysia's Chairmanship this year, ASEAN is on track to deliver most of our 18 Priority Economic Deliverables.
23. Various FTA upgrades will **reduce costs, cut red tape**, as well as **create a stronger focus on sustainability and an increasingly digitalised economy**. Deliverables such as the **ASEAN Framework for Integrated Semiconductor Supply Chains**, and the **EV Battery Passport Roadmap**, will **propel our region towards the industries of the future**.
24. We're also **mobilising financing for the ASEAN Power Grid, advancing regional carbon markets, and supporting SMEs in their sustainability transitions**. These make up **the scaffolding of a future-ready ASEAN**. Where others retreat, ASEAN responds. Where others collide, ASEAN connects. Where others stall, ASEAN springs forward.
25. Critics say ASEAN moves too slowly. Sure, **consensus-building is time-consuming**. But **once ASEAN decides, it is the voice of ten, not the will of one**. That is why **ASEAN has endured for more than five decades**, and why it **remains respected and relevant** in a fractured world.



26. Notably, **ASEAN** continues to shine – **a rare, bright spot** in the **proverbial darkness of global headwinds**. In 2025, ASEAN's growth is projected at 4.2%, compared to 2.8% globally. Last year, trade in goods grew by nearly 9% to USD3.8 trillion. Services trade expanded by 12%, and FDI rose by 8.5%, compared to global FDI which reduced by 11%.
27. These figures are not abstractions but represent real factories rising in Penang and Bangkok; digital start-ups scaling in Singapore, Jakarta and Manila; and solar farms powering homes in Vietnam. They tell a story of resilience and opportunity, born of **decades of connection, centrality, and commitment**.
28. **ASEAN's role as a bridge** in a strife-ridden world cannot be overstated. ASEAN remains **one of the few middle-power platforms** where the **US, China, India, the GCC, and Europe** can still sit together.
29. Under Malaysia's Chairmanship, **we make no apologies for our fierce neutrality** or prioritising the ASEAN Way. We are determined to **keep ASEAN open, inclusive, and central**, not only because we want our region to **remain the master of its own house**, but because it is the **best way towards peace and prosperity** for all.

## **Malaysia as the Doorway to ASEAN's Opportunity**

30. And **the best entry point into ASEAN's opportunities is Malaysia itself: a nation born of diversity, sustained by resilience, and guided by purpose.**
31. Malaysia is proud to chair ASEAN at this pivotal moment. Our message is simple: **diversity, consensus, and pragmatism** — these are the **values that strengthen Malaysia**, and the **same values that make ASEAN resilient**. So, I invite you to be part of this growth journey into the future with us.

## **Closing: Malaysia Progressing with Purpose**

Ladies and Gentlemen,

32. Today, Malaysia is clearly stronger and more resilient. Our **re-entry into the radar of global investors** is the result of **deliberate curation, not a coincidence**. But Malaysia will NOT rest on past laurels. We will continue **to reform, innovate, and strive** to make our economy stronger, more sophisticated, and more inclusive.
33. For me, **this is a personal commitment**. My door will always remain open to those who would like to partner with us in **Malaysia's journey of progress with purpose**.

34. We will be a nation that **not only grows but also uplifts**; that **not only competes but also collaborates amid complexity**; that adapts to change and **shapes its future with confidence and conviction**.
35. So, with your capital, innovation and ideas, and with Malaysia's talent and resources, **may our collaborative spirit be like the rising sun—steady, radiant, and full of vitality**.
36. And may our collective progress always be with purpose—so that **no challenge is too complex, and no dream too distant**, for us to **create a more prosperous, sustainable, and enduring tomorrow**. Thank you.