

'Differences won't derail E&E sector'

Anwar: Industry's growth or US ties unhindered by Gaza dispute

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KULIM: Malaysia will maintain diplomatic ties with the United States despite political differences on the Palestine-Israeli conflict.

Prime Minister Datuk Seri Anwar Ibrahim said the country's stance against the Western political position on the conflict would not negatively affect the growth of the electrical and electronics (E&E) industry in the country. *

"Our export of E&E products to the US accounted for 26% of our total industry exports, which represents a significant portion.

"We will safeguard mutual investment interests with the US and others, including China and Germany.

"In terms of E&E and electric vehicles (EVs), China is outperforming in cost and efficiency, especially in battery production,"

he said during the Budget 2025 dialogue session with E&E industry players at SilTerra Malaysia, Kulim Hi-Tech Park, yesterday.

Also present were Kedah Menteri Besar Datuk Seri Muhammad Sanusi Md Nor and Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz.

During the session, Anwar said the government welcomed all input from the industry.

"As the government, I must say that we don't claim to have all the answers. We need to drive growth more rapidly, so your input is important," he added.

Earlier, he also launched the first phase of Infineon Technologies AG's 200mm silicon carbide power (SiC) semiconductor fabrication facility in Kulim Hi-Tech Park.

He said the project has reinforced Malaysia's position as a



Rapt attention: Anwar listening to an briefing on Infineon Technology products during the launch of Budget 2025 dialogue session with E&E industry players at SilTerra Malaysia, Kulim Hi-Tech Park. With him are (from Anwar's right) Muhammad Sanusi and Tengku Zafrul. - ZHAFARAN NASIB/The Star

rising major global semiconductor hub.

"This major investment will locate the world's largest and most competitive SiC power fab on our shores.

"It will create jobs and opportunities, as well as attract suppliers, universities and top talent.

"This will support Malaysia's efforts to protect our climate by boosting electrification and increasing the efficiency of many applications, including electric cars and renewable energy.

"Technology made in Malaysia will become a central part of global decarbonisation efforts in the future," he added.

The first phase with a €2bil (RM9.7bil) investment will focus on the production of silicon carbide power semiconductors and will include gallium nitride (GaN) epitaxy.

The second phase, with an investment of up to €5bil (RM24.4bil), will create the world's largest and most efficient 200mm SiC power fab. It is expect-

ed to be ready by 2027.

Overall, up to 4,000 jobs will be created with the project.

SiC semiconductors increase efficiency in EVs, fast-charging stations and trains, as well as renewable energy systems and data centres.

Infineon started its operations in Melaka in 1973 and in 2006, it opened Asia's first front-end fabrication plant in Kulim.

Currently, Infineon employs more than 16,000 highly skilled people in Malaysia.