

Bid to be global semiconductor hub

Malaysia aims to court at least RM500bil of investment in sector, says PM

KUALA LUMPUR: Malaysia aims to be a global R&D hub for semiconductors, featuring world-class universities, corporate R&D, and centres of excellence, blending the very best of Malaysian and international talent, says Datuk Seri Anwar Ibrahim.

The Prime Minister said through the National Semiconductor Strategy (NSS), Malaysia aims to court at least RM500bil of investment in integrated circuit (IC) design, advanced packaging and manufacturing equipment for semiconductor chips.

"The government will allocate at least RM25bil in fiscal support to operationalise the NSS with targeted incentives, details of which will be announced by Miti (Investment, Trade and Industry Ministry) soon," said Anwar during his keynote address when launching the SEMICON South-East Asia 2024 yesterday.

The Prime Minister said that the NSS would also train and up-skill 60,000 highly skilled Malaysian engineers, adding that

Putrajaya also aims to establish at least 10 Malaysian companies in design and advanced packaging with revenues between RM1bil and RM4.7bil.

In the effort to create higher wages for Malaysian workers, Anwar said the federal administration has set a target of establishing 100 semiconductor-related companies with revenues close to RM1bil.

The Prime Minister said Malaysia is steadfast in promoting technology for humanity's greater good.

"Geopolitical dynamics aside, a robust multinational semiconductor production remains vital for humankind's survival, particularly as we are running out of time in our climate action and risk mitigation.

"Today, I offer our nation as the most neutral and non-aligned location for semiconductor production, to help build a more secure and resilient global semiconductor supply chain.

"Our key proposition, 'Malaysia: Bridging

Technology for Our Shared Tomorrow', reflects our sincere aspiration to promote technology for humanity's greater good by being your leading partner and collaborator in the global semiconductor industry and beyond," he added.

Anwar said the salient features of the NSS are the crucial elements in ensuring that the country achieves its ambition of becoming a global chip hub.

Under the NSS, which is led by Miti, Anwar said the strategy is structured in three phases, which are designed to foster collaboration with companies across Asean, Asia, and the global stage.

"Phase one involves building on our foundations; phase two is all about moving to the frontier; and phase three is about innovating at the frontier.

"To stay flexible and agile, the NSS will be a living document, evolving as needed, but we remain steadfast in our aspiration to make Malaysia a major global player in

accessible technology for all, powered by our semiconductor industry," he added.

The Prime Minister also touched on Malaysia's energy transition plan, saying that the government aims to have 40% of the country's primary energy mix from renewable energy sources by 2035.

This initiative, he said, aims to reduce carbon dioxide emissions by 10 million tonnes annually and achieve 100% renewable energy by 2050.

"The government supports exploring new technologies like green hydrogen, nuclear technology, and large-scale energy storage to reduce dependence on fossil fuels and meet the 2015 Paris Accords' targets," he said.