ELECTRICAL & ELECTRONICS PRODUCTIVITY NEXUS (EEPN)
GOVERNING COUNCIL MEETING 6/2020
MINUTES OF MEETING

I verified the supplier has completed his work

Lee Wan Wei
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Electrical and Electronics Productivity Nexus
Productivity Growth Division
Malaysia Productivity Corporation

Date: 5th November 2020 (Thursday)
Time: 10:30am ~ 12:30 pm
Venue: via online conferencing system
Chairperson: YBhg. Dato' Seri Wong Siew Hai
              Chairman E&E Productivity Nexus (EEPN)

Attendance: **As in Appendix I**

No	Discussion/Decision	Action/ Remarks
1.	**Welcoming Remarks**	
	Dato' Seri SH Wong welcomed members to the EEPN Governing Committee (GC) 6/2020 meeting, which will be our last GC meeting for the year 2020. Our last EEPN GC meeting 5/2020 was held on the 26th August. Dato' Seri SH Wong explained that we will be discussing on how we will transition from our current Key Strategy (KS) team structure, to our new Strategic Initiative (SI) structure	**For Information**
2.	**General Updates by EEPN Chairman**	
	This section was facilitated by Dato' Seri Wong Siew Hai as champion of EEPN **Malaysia Semiconductor Industry Association (MSIA)** • MSIA's four objectives ○ <u>R&D and Technology:</u> To strategically develop Malaysia's semiconductor industry including electronics and systems by nurturing and growing the complete semiconductor eco-system ○ <u>Eco-system:</u> To elevate Malaysia's semiconductor companies' global market position and value chain by enhancing their capabilities and capacities	**For Information**

	○ <u>Advocacy:</u> To be the collective voice of the semiconductor industry by advocating industry's challenges and building positive relationships with the government and its agencies, and other industry associations and chambers of commerce ○ <u>Global Competitiveness:</u> To collaborate with the government on strategies formulation and policy advocacy to enable Malaysia's semiconductor industry, including electronics and systems, to be globally competitive - Registered address is at MPC Northern Region Office, Kepala Batas, Penang - Five categories of membership, namely, Ordinary member, Founding member, Charter member, Affiliated member and Honorary member - Minimum requirement to establish any association is members from at least 7 states - Registration with ROS in progress (submitted end of October 2020) **National E&E Forum 2020** - Theme is 'Strive for growth against the tide of disruptions' - Tentative date is 30th November 2020 - Target audience is policy makers, industry especially Malaysian companies and SMEs related to the E&E industry - Objectives are ○ Sharing on The Future of E&E Industry amidst the impact of global supply chain ○ Overcoming challenges in moving up the value chain in Systems Design & Development ○ Role of technology centres in creating global companies: key learnings for Malaysia **EEPN's new 'Strategic Initiatives' format** - EEPN will be phasing out our four Key Strategies (KS) structure by end of year 2020. - It will be replaced by the new five Strategic Initiatives (SI) framework, as below: ○ SI1: Unlock MNCs potential contributions towards E&E in Malaysia	**For Information** **For Information**

	o SI2: Nurture local companies to be global champions o SI3: Build talent and leadership development o SI4: Enable and forge a robust E&E ecosystem o SI5: Establish government policies which promote E&E growth **Feedback and Comments from GC members** • Dato' Seri SH Wong further added that EEPN is exploring a slightly different GC meeting and reporting format. EEPN is considering having smaller focus team meetings with all Strategic Initiative (SI) leaders (for preparatory meeting) prior to the actual GC meeting, which can be in a 'townhall' style	**For Information**
3.	**Update on Key Strategy #1: Enhance Added Values Activities**	

	Update was done by Dr. Hari Narayanan as Key Strategy #1 Chairperson
	
	Key Strategy #1 Update:
	
	IC Design Post School Finishing (PSF)
	• No major progress, the team is still seeking approval from MIDA to release funding for participating training companies
	• Discussion on a way forward to continue the PSF program in the next OC Meeting, scheduled for 6th Nov 2020
	• Chronological of events
	    o MIDA JPPG Meeting (15th Sep 2020). MIMOS PMO presented status update on PSF project. EPU requested further information and meeting to discuss outcomes of PSF
	    o EPU PSF Meeting (17th Sep 2020). MIMOS PMO and USAINS presented status update and PSF financial information
	    o MIDA-MIMOS PSF Audit Meeting (20th Oct 2020). MIMOS PMO provided additional project information, claims and feedback on PSF
		For Information

	SIAP Program with MOE/MOHE • Meeting with MOE/MOHE, on 15th Sep 2020, reaffirmed commitment and implementation from participating universities, which MOE/MOHE has agreed • Next Steps: ○ Coordinate follow-up meeting between MPC, EEPN, MIMOS and 7 participating public universities to present the latest status of SIAP curriculum implementation (scheduled for 6th Nov 2020) ○ Setup discussion session with the Engineering Accreditation Council Malaysia (EAC) in identifying the conditions and requirements of the engineering program and curriculum to ensure program accreditation is met ○ MPC/EEPN to coordinate meeting between MPC, EEPN, MIMOS and IPTS to introduce the implementation of the SIAP program **IC Design Consortium (ICDC)** • Agreement for METIC to consolidate consortium resource breakdown, with eight companies participating, and to list of IP's and products in order to market the consortium locally and internationally • Signing of IC Design Consortium Agreement among 13 local companies is still in progress • MIMOS is supporting 3 IC design companies on MOSTI's National Sandbox Initiative to take part in the commercializing local products • METIC year-to-date activities is 3 overseas success, 1 local success, 7 dropped and 2 new opportunities **Mechanical Engineering/Design - MCAD** • Update from NCIA, on 15th Jun 2020, still no allocation available to support this initiative in 2020. • MCAD to be included under NTIC (NCIA Technical Innovation Centre) project as a subcomponent for RMK12.	**For Information** **For Information**

	Embedded Design Activity • A second survey to validate and re-baseline talent needs from Industry (+70 companies) by MIDA E&E was sent beginning of Sep 2020 • Targeting companies in the following areas: product / system /IoT, control / manufacturing automation, test development and automation • The response from industry is low, with only 5 companies responded • Action plan is to work with MIDA to actively encourage companies to take part in the survey (end Nov), and provide findings to SI3 for further actions (mid Dec)	**For Information**

	Strategy Initiative #1 (SI1) Update:
	• S1.1: Retention of MNCs and transfer of knowledge and technology to Malaysian companies
	• S1.2: Support MNCs growth to create greater spill-over effects / multiplier effects
	• A team has been formed to look into 4 focus areas:
	    o Strengthening MNCs presence
	    o Moving from 'Manufacturing' to 'Manufacturing plus Design & Development'
	    o Increasing the value-add spill over in the local eco system
	    o Attaining higher content of local vendor-based supply chain
		For Information

	Feedback and Comments from GC members
	
	• **PSF program**
	    o Costing of EDA tools needs to be further justified to EPU. Need to relook at the types of EDA tools and the number of licenses. Two approaches were proposed; hired-and-train and train-and-place
	
	• **Embedded Design Activity**
	    o MIDA has completed the survey on 'demand', but MIMOS needs to further revalidate the survey. MDEC focuses on 'digital technologies', but can explore area, which is more 'hardcore engineering'. We can also leverage NTIC to drive this
	    o Together, we need to develop strong embedded competencies
		For Information

	• **Building IC design talent**
	   ○ There are interests from fabless companies (doing IC product design) wanting to invest in Malaysia. How do we address their issue of talent and training resources?
	   ○ We need to provide them with a sufficient talent pool; failing which, these companies might start to pinch experienced engineers from existing design companies
	   ○ We can explore an accelerated (truncated) PSF program for these companies, and also focus on yet-to-be-employed graduates
		For Information

4.	**Update on Key Strategy #2: Nurture Talent Pool**	
	Update was done by Dato' Seri Wong Siew Hai as Key Strategy #2 Chairperson **Key Strategy #2 Update:** **EEPN I4.0 Webinar Series, in collaboration with Elliance** • Two sessions completed • Understanding I4.0 on 6th April 2020, and • I4.0 "What is in it for you?" on 23rd April 2020 **EEPN I4.0 Webinar Series, in collaboration with Steerix and Aachen University** • Four sessions completed • How to prepare & start out in difficult times, on 9th June 2020 • Machine2Machine and Cyber Physical Systems, on 10th June 2020 • Data Analytics – The Enabler of Change and Progress for your organization. How to Learn It and What are your benefits? on 25th June 2020 • Why is Machine Learning & Artificial Neural Network the Next Revolution in Industry – How can you apply it? on 2nd July 2020 **Graduate Training and Hiring Program** • Organized by Negeri Sembilan Skills Development Centre (NSSDC) in collaboration with Steerix, and supported by EEPN	**For Information** **For Information**

• This fully Government-funded program is a two-month training program, targeting engineering graduates (unemployed and/or fresh graduates) with a minimum CGPA of 2.80 & above
 	
Strategy Initiative #3 (SI3) Update:
• SI3.1: Develop talent to embark on high value activities
    ○ Post school finishing, 4 tracks proposed i.e. digital IC design, embedded systems & IoT, product & test engineering and Industry 4.0
    ○ Master of Science (MSc), 3 programs proposed to HRDF for co-funding
    ○ Micro-Credentials Program (under proposal)
    ○ Graduates training and hiring program
• SI3.2: Increase talent pool to support Industry growth
    ○ Industrial Upskilling, 4 tracks proposed i.e. digital IC design, embedded systems & IoT, product & test engineering and automotive electronics
    ○ Supply Chain Management Upskilling Program, 1 program proposed to MoHE for funding
    ○ E&E Mentoring for Industry 4.0 (EEMI4.0) program
• SI3.3: Promote software engineering & programming skills to future-proof our workforce
    ○ Post school finishing, 1 'software engineering' track proposed
    ○ Industrial Upskilling, 1 'software engineering' track proposed
• SI3.4: Develop regional and global leaders
    ○ Develop and conduct regional and global leadership programs.
    ○ SME leadership development programs
• SI3.5: Align public universities towards industry's requirements
    ○ Drive universities curriculum embedment for SIAP Program for IC design
	For Information

Feedback and Comments from GC members • Nil	**For Information**

5.	**Update on Key Strategy #3: Accelerate Adoption of Industry 4.0**	
	Update was done by Dr. Thomas Ooi, as Key Strategy #3 Chairperson **Key Strategy #3 Update:** **I4.0 Regional Conference** - The 2-day conference was successful held on 29th and 30th June 2020, via online platform - Theme was 'Synergizing AI, Engineering and Economy towards I4.0' - Three Conference tracks were - AI and Computer Science - Engineering and Implementation - Business and Management - Total Attendees/Participants was 239 - Total Number of papers presented was 66	**For Information**
	Hackathon West and East Malaysia - Two events were held: - West Malaysia (10th Oct 2020) - East Malaysia (18th Oct 2020) - Delivery partners were: - West Malaysia – IRDA and UTM - East Malaysia – MPC Sarawak, Curtin University, MCMC, Misi4.0, and Serba Dinamik - Background - First ever virtual hackathon organized by EEPN - Features an Artificial intelligence (AI) based machine vision system. - Hardware and software suite is based on INTEL OpenVINO™ toolkit, running off any computers	**For Information**
	Plugfest 2.0 (AIOT) - Two events were held: - Workshop #1: 24th ~ 28th Aug 2020 (repeat sessions on 3rd ~ 4th Sep 2020) - Workshop #2: 19th ~ 22nd Oct, 26th ~ 27th Oct 2020 - Total participants 25 companies, 2 pax per company over the two workshops	**For Information**

	- Delivery partners were - PSDC, Penang - Supported by Intel Malaysia and Axiomtek Taiwan - Background - AI-based Machine Vision system - Delivery via live online platform - Participants are expected to complete a Proof of Concept (POC) within 3~6 months of event **Strategy Initiative #4 (SI4) Update:** - SI 4.1 Establish NCER Technology and Innovation Center (NTIC) to drive technology development and innovations - To collaborate with NCER and facilitate start-ups and commercialization and growth of E&E companies - SI 4.2 Promote adoption of I4.0 technology to improve global competitiveness - In addition to the continuation of Plugfest, Hackathons and I4.0 webinars, to explore with global technology companies to help local solution providers to innovate and develop I4.0 solutions - SI 4.3 Collaborate with research institutions and COEs by helping to bring the latest technology to SMEs for commercialization - Help to evaluate R&D outcome from local research institutions and COEs by working with CREST, MOHE etc. **Feedback and Comments from GC members** - Nil	**For Information** **For Information**
6.	**Update on Key Strategy #4: Strengthening SME Development**	
	Update was done by En. Zaky Moh, Chief Officer, Cluster Development Division, SME Corp, (Key Strategy #4 Co-Chairperson) **Key Strategy #4 Update:** **E&E Virtual Advisory Clinics (EEVAC)** EEVAC is step two of MPC's business virtual advisory services model	**For Information**

	• A total of 16 companies (15 SMEs and 1 MNC) have successful completed their clinic sessions	
	Virtual Market Place Project (VMPP) • Moving forward, VMPP will be known as E&E Marketplace Malaysia (EEMM) • Five working committee meetings were held since June 2020, with Dato' Seri SH Wong as advisor and En. Noorazidi (Inari Technology) as chairperson • VMPP is 100% Industry funded. As at 19th October 2020, 27 companies have confirmed their sponsorship • The fourth payment (final payment) was approved on 19th October 2020, based on milestone-based progressive payments • VMPP will go-live by November 2020	**For Information**
	Strategy Initiative #2 (SI2) Update: • SI2.1: Facilitate local companies to embrace emerging technologies, design and innovation o Lower the risks for local companies to invest in emerging technologies local company's mindset with 'buy local' with respect to design, products, equipment and services • SI2.2: Expand the waterfall model to more Tier 1 local companies, and to spill-over to Tier 2 companies o Preparing SMEs towards Public Listing exercise. Using the SME development waterfall model, and hand-hold short-listed SMEs • SI 2.3: Enhance local companies' global visibility through collaborations and partnerships o Continuation of EEMM to assist local companies to assess global market	**For Information**
	Feedback and Comments from GC members • Nil	**For Information**
7.	**Presentation on MPC's Sectoral Productivity Level**	
	The sharing was done by Pn. Rosmiza Rosly, Senior Manager, Productivity and Competitiveness Development Division, MPC	**For Information**

	Salient Points • In terms of GDP, the E&E industry contributes to 25% of the Manufacturing sector, which in turn contributes 22.3% of the National GDP • The GDP is broken down into 4 key components, namely, Employment, Productivity, Capital Intensity and Multi-factor Productivity • Multi-factor Productivity (MFP) is further broken down by quality of system, quality of workforce and quality of capital.	**For Information**
8.	**Any Other Matters and Adjournment**	
	Adjournment • GC meeting officially adjourned at 12:30 pm • The chairman thanked all members for attending today's conference call	**For Information**

LIST OF ATTENDANCE   **APPENDIX I**

A. CHAIRMAN

1. **YBhg. Dato' Seri Wong Siew Hai**
   Chairman, E&E Productivity Nexus

B. PRIVATE SECTOR - MNCs

1. **YBhg. Dato' P'ng Soo Hong**
   Managing Director, First Solar Malaysia

2. **YBhg. Dato' Peter Halm**
   Vice President & Chief Financial Officer, Infineon Technologies

3. **YBrs. Dr. Hari Narayanan**
   Chairman, USM
   Head of KS#1: Enhance Higher Value Added Activities, EEPN

4. **YBrs. Dr. Thomas Ooi Wei Min**
   Senior Manager, Intel
   Head of KS#3: Accelerate Adoption of Industry 4.0, EEPN

5. **Mr. Lau Kean Cheong**
   Group Chief Executive Officer & Executive Director
   Inari Amertron Berhad
   Head of KS#4: Strengthen SME Development, EEPN

6. **Mr. Noorazidi Che Azib**
   Deputy Vice President, Inari Amertron Berhad

7. **Mr. Tay Eng Su**
   Customer Experience, Quality & Compliance Director
   Keysight Technologies (M) Sdn. Bhd.

8. **Mr. Thomas Woo Seow Keat**
   Director, Win-Hall Tech Sdn. Bhd.

9. **Mr. Tahiruddin Hamdan**
   Senior Director Corporate Development & External Affairs
   SilTerra Malaysia Sdn. Bhd.

10. **Mr. SK Fong**
    Chief Executive Officer, Skyechip

C. **GOVERNMENT AGENCIES**

1. **YBrs. Dr. Ting Kok Onn**
   Deputy Director, MEA

2. **Mr. Azmir Musyabri Abdul Mutallib**
   Senior Principal Assistant Director, Sectoral Policy Division, MITI

3. **Ms. Panimoli Kalidass**
   Senior Economist, Economics Department, BNM

4. **Mr. Wan Azli Wan Ismali**
   General Manager, MIMOS

5. **YBrs. Dr. Pannirselvam Kanagaratnam**
   Director, MIMOS

6. **Mr. Fajaffri Mohd Fadzil**
   Senior Director, Investment Division NCIA

7. **Mr. Michael Raja A/L G. Rajagopal**
   Head NTEP, Investment Division NCIA

D. **ASSOCIATE**

1. **Mr. Fouzun Naseer**
   Director, CREST

E. **EEPN GOVERNANCE COUNCIL SECRETARIAT**
   1. **Mr. Cheang Wai Mun, Associate, MPC**
   2. **Ms. Lee Wan Wei, Manager, MPC**