

RAPPORTEUR REPORT

Organised by



National E&E Forum

*Strive for growth against
the tide of disruptions*

2020

This forum will address how the world has changed in the aftermath of the unprecedented coronavirus pandemic and its impact on the future of Electrical & Electronics (E&E) industry amidst the disruption of the global supply chain.

In addition to the ongoing US-China trade war, how would the E&E industry overcome these challenges?

The forum will also share on how Malaysia can seize the opportunities to be one of the leading E&E centers of the world featuring international speakers from SIA, IEI, ITRI, SEMI and World Bank Group and also local speakers from Greatech and INTEL.

30 November 2020

8.30 a.m-1.00 p.m

MPC Zoom Webinar



Scan QR code
for registration



Supported by



Driving Productivity of the Nation

I approve that the supplier
has delivered the work
required

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



National E&E Forum 2020

30th November 2020 | Kuala Lumpur

Honourable Guests



**YBHG DATO ABDUL LATIF
BIN HAJI ABU SEMAN**
Director General
Malaysia Productivity
Corporation



**YB DATO' SRI MUSTAPA
MOHAMED**
Minister in the
Prime Minister Department
(Economy)



YB DATUK LIM BAN HONG
Deputy Minister
Ministry of International
Trade and Industry



**YBHG DATO' SERI WONG
SIEW HAI**
Champion
E&E Productivity Nexus



DATO' CHEOK LAY LENG
General Manager
Penang Hill Corporation



TAN ENG KEE
Chief Executive Officer
Greatech Technology Berhad



TAN TENG WANG
Senior Director
Custom Asic Engineering,
INTEL Corporation



**PROF DATUK
DR WONG LAI SUM**
Former CEO
MATRADE

Supported by



National E&E Forum 2020

30th November 2020 | Kuala Lumpur

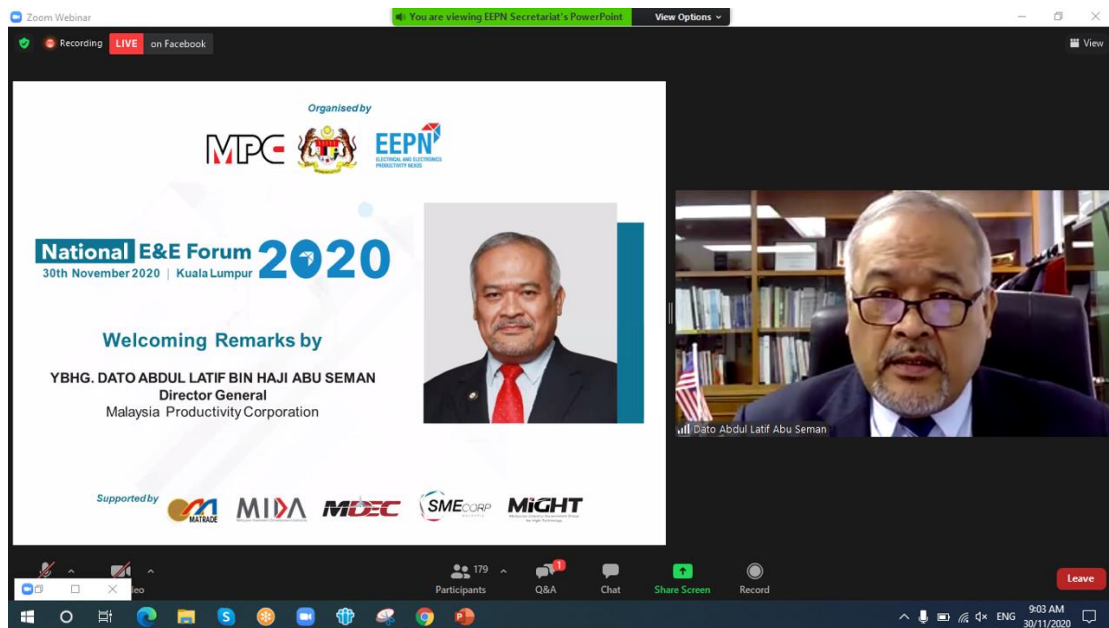


TIME	PROGRAMMES
08:30 a.m - 09:00 a.m	Registration
09:00 a.m - 09:10 a.m	Welcoming Remarks by YBhg. Dato Abdul Latif bin Haji Abu Seman, Director General of MPC
09:10 a.m - 09:20 a.m	EEMM Introductory Speech by YBhg. Dato' Seri Wong Siew Hai, Champion of EEPN
09:20 a.m - 09:40 a.m	Opening and Launching Speech by YB Datuk Lim Ban Hong, Deputy Minister of Ministry of International Trade and Industry.
09:40 a.m - 09:45 a.m	Launching of Electrical and Electronics Marketplace Malaysia (EEMM) Portal
09:45 a.m - 10:30 a.m	Keynote Speaker : Falan Yinug (Director, Industry Statistics and Economic Policy at Semiconductor Industry Association) Title: Future of E&E Industry amidst the impact of global supply chain
10:30 a.m - 11:30 a.m	PANEL DISCUSSION 1 OVERCOMING THE CHALLENGES IN MOVING UP THE VALUE CHAIN IN SYSTEMS DESIGN & DEVELOPMENT Moderator YBhg. Dato' Cheok Lay Leng, General Manager of Penang Hill Corporation Speaker & Panelist 1 : Dr Jordan Jiang, CEO and General Manager of IEI Panelist 2 : Ian Eng Kee, Chief Executive Officer of Greatch Integration (M) Sdn Bhd Panelist 3 : Tan Teng Wang, Senior Director of Custom Asic Engineering, Intel Corporation
11:30 a.m - 12:45 p.m	PANEL DISCUSSION 2 ROLE OF TECHNOLOGY CENTRES IN CREATING GLOBAL CHAMPIONS : KEY LEARNINGS FOR MALAYSIA Moderator YBhg. Datuk Dr. Wong Lai Sum, Former CEO of MATRADE Speaker & Panelist 1 : Dr. Pei-Zen Chang , Executive Vice President of Industrial Technology Research Institute (ITRI) Panelist 2 : Terry Tsao, Global Chief Marketing Officer and President of Taiwan, SEMI Panelist 3 : Smita Kuriakose, Senior Economist of World Bank Group
12:45 p.m - 1:00 p.m	Closing Remarks by YB Dato' Sri Mustapa Mohamed, Minister in the Prime Minister Department (Economy).
1:00 p.m	The End

Supported by



Welcoming Remarks by Director General MPC



The Director General MPC welcomed all the virtual attendees to the National E&E (Electric & Electrical) Forum organised by Malaysia Productivity Corporation (MPC) and E&E Productivity Nexus. He then began the remark by underlining the event is part of the government initiative in enhancing economic resilience and ensuring businesses continuity amidst the impact of disturbance in the global supply chain.

He expressed his gratitude to having distinguished speakers and panelists from E&E industry from all across the world. Furthermore he adds, the forum looks forward to address the future of the E&E industry in the midst of supply chain disruption due to Covid-19 pandemic, and

also discussing strategies to growing local system designs and development capabilities within Malaysia, to enable it to rise as a recognised force within the region and the world. He then also pointed out a notable moment for this event, the launch of the EEMM Portal

Opening Speech by Deputy Minister of MITI, Datuk Lim Ban Hong



Deputy MITI began by thanking MPC for organizing the virtual forum and the opportunity for having him on behalf of MITI.

He encouraged everyone to benefit from this forum that discusses insights on how Malaysia can seize the opportunities to be one of the leading E&E centers of the world. Despite the pandemic and US-China war trade devastating impact on a global scale, Malaysia's trade performance with both countries actually rose.

The crowd is reminded of EEPN, which under MPB, has been led by private sectors with strong support from the Malaysian Government to supplement and strengthen the E&E industry that has contributed significantly to the nation's GDP growth, export earnings, investment and employment.

This initiative also focuses on continuous growth of the E&E industry by realising the importance to reskill and upskill the workforce. The idea is to continue growing IC design and embedded system design industry, attracting FDI in industrial software and wafer fabs to support semiconductor ecosystem, and improve E&E supply chain.

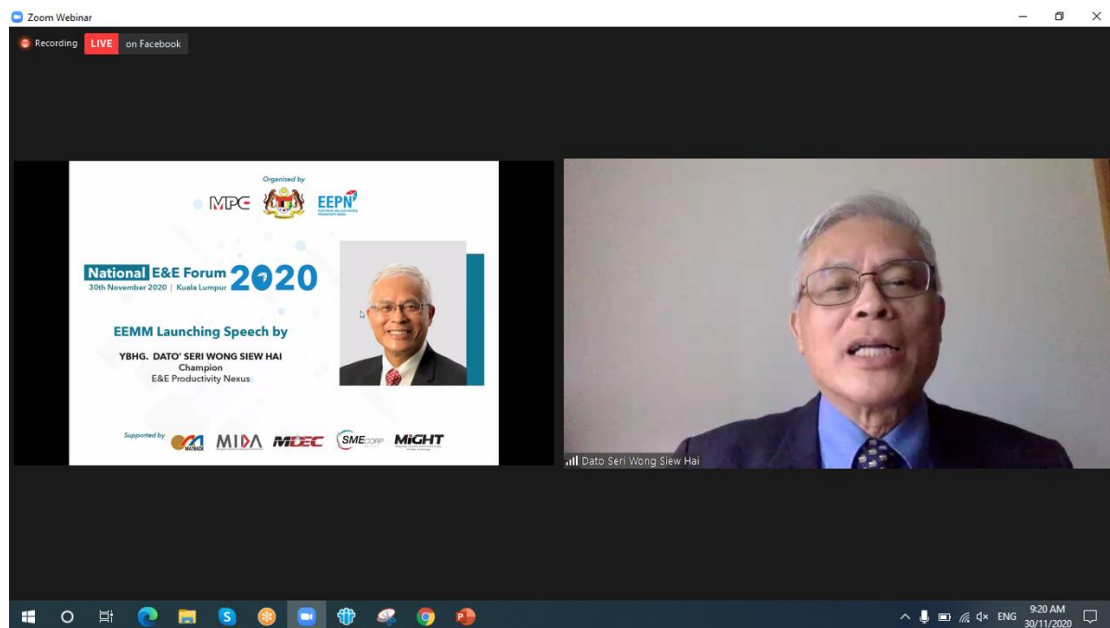
The Deputy also highlighted MITI's efforts in mitigating and resuscitating the economy blighted by pandemic. Multiple programmes in the trade, investment, and

industrial sectors have been planned under the Budget 2021 with the allocation of RM1.2b. RM1 billion Strategic Fund has been allocated as a technology investment incentive package and the high added value for the aerospace sector, electrical & electronics, machinery & equipment, medical devices, shipping and a few more.

He further shared with the audience that a further RM1b has also been allocated for the Industrial Digitalization Transformation Scheme to boost digitalization activities by the industry and also another RM150 million under the SME Digitalization and Automation Grants.

He lauded the forum as a hugely positive step towards sharing and exchanging knowledge, ideas and experiences in driving productivity for the E&E industry. In conjunction with this program, Deputy also launched the Electrical & Electronics Marketplace Malaysia (EEMM), a business-to-business (B2B) online marketplace specifically developed for the E&E industry in Malaysia as the important gateway in promoting Malaysian E&E companies to the international market.

EEMM Launching Speech



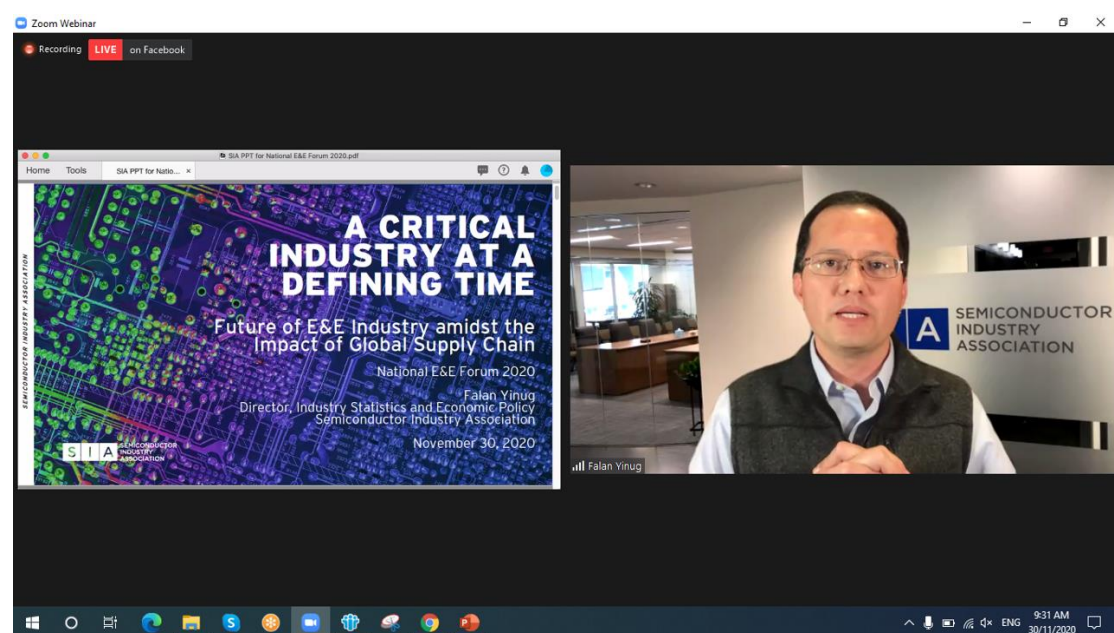
The Champion of Electrical & Electronics Productivity Nexus (EEPN), YBhg. Dato Seri Wong Siew Hai reiterated that EEMM is one of the key strategies to strengthen the local E&E players to become global champion.

He addressed that the EEMM is one of the solutions to address the main issue brought up by Malaysian companies; which is market access, especially the overseas market. He went on to preach of the importance of moving up progressively in the value chain, growing, adopting new technologies and embracing the government's push for Industry 4.0. This is imperative in

order to be as competitive as possible in the global economy.

E&E industry has been the backbone of Malaysia's economy for nearly 50 years and it has grown by leaps and bounds. Today, its significance is compounded by the facts that its export valued at RM380 billion and its contribution to GDP is 6.3%, while providing employments to 560,000 people all across the country. Towards the end, he hoped that with the right ecosystem being continuously improved, we are all moving towards the right direction - the E&E marketplace Malaysia portal is the gateway to the world.

Keynote Speaker Main Points



[...]

**OVERCOMING THE CHALLENGES IN MOVING UP THE VALUE CHAIN
IN SYSTEMS DESIGN & DEVELOPMENT**
10.30AM - 11.30AM

Moderator



YBHG. DATO' CHEOK LAY LENG
General Manager
Penang Hill Corporation

Speaker And Panelists



DR JORDAN JIANG
Chief Executive Officer
and General Manager
IEI Integration Corp



TAN ENG KEE
Chief Executive Officer
Greatch Technology Berhad



TAN TENG WANG
Senior Director
Custom Asic Engineering,
Intel Corporation

Supported by



Panel Discussion 1 Main Points

The discussion was moderated by GM Penang Hill, with 3 panelists sharing their knowledge in Overcoming the challenges in moving up in value chain in System Designs and Development. The panelists are GM IEI, EO Greatch and Senior Director Intel.

The Group CEO and GM of IEI Integration Group was asked how he charts his organization through the current uncertainty. He confidently mentioned 'to go with the leaders'. The company, a global Taiwanese supplier of industrial computer products and AIoT (Artificial

Intelligence of Things) solutions, followed the technology roadmap of the global tech companies and that has proven a safe and successful method.

The history of IEI corresponded closely to the overall development of Taiwan's industries over the past 20 years, and a key part of it has been moving up the value chain through partnering with industry global giants such as Intel and Microsoft. In doing so, the Taiwan-based company has transformed from manufacturing basic semiconductor boards to designing cutting-edge turnkey solutions. In 2017 IEI designed and produced an AI plus IOT development kit, and this year, 2020, they launched their IEI Puzzle series, a Multi-access Edge Computing (MEC) solution based on 5G.



Fellow panelist Tan Eng Kee, CEO of Greatech

Technology Bhd voiced his concern in regards to the fact that Malaysian E&E players have not sufficiently upskilled their capabilities up the value chain to attract that higher level of FDI investment. It is due to Malaysia's competitive cost that lures foreign investors entering into the country, and not because of better design or development.

Meanwhile, Senior Director Intel described the opportunities available for a natural cooperation and development process between MNCs and local players, which will fruit huge benefits. The benefits include:

1. Halo effect from the MNC resources, which will allow partners to consider more up-to-date and more forward-thinking technologies.
2. MNCs can drive demand, as well as aggregating it, hence achieving economies of scale. This then afford the local suppliers to overcome with their cost dilemma.'
3. He indeed suggested a more comprehensive role the MNCs play in developing talent, not just in R&D, but also in the surrounding ecosystem.

He further explains, MIDA must stipulate MNC engagement with Malaysian SMEs - which has become a

common practise by China and we need to follow suit in order to becoming a leading digital economy nation.

National E&E Forum 2020
30th November 2020 | Kuala Lumpur

MPC  EEPN
ELECTRONICS AND ELECTRONICS
PRODUCTIVITY NEXUS

**ROLE OF TECHNOLOGY CENTRES IN CREATING GLOBAL COMPANIES :
KEY LEARNINGS FOR MALAYSIA**
11.30AM - 12.45PM

Moderator


YBHG. PROF DATUK DR WONG LAI SUM
Former CEO
MATRADE

Speaker And Panelists


DR PEI-ZEN CHANG
Executive Vice President
Industrial Technology
Research Institute (ITRI)


TERRY TSAO
Global Chief Marketing Officer
and President of Taiwan
SEMI


SMITA KURIAKOSE
Senior Economist, Finance,
Competitiveness & Innovation
World Bank Group

Supported by     

Panel Discussion 2 Main Points

In the second session, Former CEO Matrade moderated the discussion of: Role of technology centres in creating global companies - key learnings for Malaysia. The 3 panelists involved are Exec VP ITRI, President Taiwan SEMI and Sr Economist World Bank Group.

World Bank senior economist Smita Kuriakose said that the current lack of research product commercialisation by research institutions and low adoption of technology would lead to lower productivity of firms in Malaysia. In order for firms to stay competitive, firms should integrate research products into their production processes, which would allow them to become more proactive.

She argued that currently, research organisations put more value on published papers and not the value commercialisation of research. There is a strong need for an ecosystem that can effectively translate research into commercialisation, and not just technology centres. With those in place, the E&E industry can adopt this research to introduce new products and technologies to gain the competitive edge.



There are multiple ways to bolster productivity in Malaysia:

1. The move to a performance-based budgeting system, whereby research institutions are asked to produce their key performance indicators.
2. She said that the industry should be playing a more pivotal role by investing in Human Resources
3. And lastly, she said, firms need to invest in new breed of talents, critical thinkers and tech-savvy, adaptable workforce.

Citing the World Bank's report on "Assessing the Effectiveness of Public Research Institutions", Smita pointed out that "technology centres in Malaysia are not equipped with the 'right personnels'." This can deter

access to research for small and medium enterprises (SMEs).

Closing Remarks



Minister in the Prime Minister's Department (Economy)
Datuk Seri Mustapa Mohamed graciously delivered the closing remarks. He proposed that the E&E sector would be the country's driver in becoming a high-tech and high-income nation.

As Malaysia finalises the 12th Malaysia Plan (12MP), he disclosed that several strategies of E&E development would be crafted in the plan to ensure that the industry

contributes a higher percentage to the country's gross domestic product.

List of Q&As

Q1: How will the Industry pivot to position Malaysia's sector industry strengths in the impending supply chain relocation from PRC to SE Asia?

"Malaysia has seen an increase in inquiries from PRC with intention of relocating operations to Malaysia. These requests have been channeled through our Government agencies in charge of investment promotions. To complement this, E&E industry is also assisting by linking them with local E&E vendors and suppliers, land & Infrastructure matters, and also ensuring them with the necessary workforce talents etc"

Q2: Currently, Malaysia is still lacking of local IC/IP design company? What is Malaysia government or EEPN plan in improving IC Design ecosystem in Malaysia?

"EEPN, in partnership with Government agencies, is nurturing IC design activities in Malaysia. Specifically, we are embedding IC design syllabus into universities curriculum, and also promoting internship in Multinational Companies (MNCs) with Design & Development (D&D)

activities. In addition to nurturing talent, we are also encouraging smaller local IC design companies to form strategic consortium, to build sizable IC design companies to win new businesses. Our highest challenge continues to be market demand for our locally designed IC products and systems. Including our assistance to our local IC companies to reach out to global E&E market (hence, EEMM was being developed)"

Q: