

Malaysia's automotive sales to remain resilient in 2023: Tengku Zafrul

By **Nicholas King** - February 15, 2023 @ 6:49pm



PEKAN, 15 Feb -- International Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz (second, right) is briefed by Mercedes-Benz Malaysia vice-president of production plant Patrick Baur (right) after launching Mercedes-Benz EQS 5000 4Matic here. Also present is Mercedes-Benz Malaysia president and chief executive officer Sagree Sardien (third, right).

PEKAN, Pahang: Malaysia's new vehicle sales will remain resilient, albeit a challenging 2023, after posting its best-ever volume of over 720,658 units in 2022, said International Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz.

The local automotive had exceeded the 700,000-unit mark for the first time ever, Tengku Zafrul said after launching Mercedes-Benz Malaysia's first locally-assembled (CKD) electric vehicle (EV), the EQS 500 4Matic, at its plant here today.

He added that DRB-HICOM Bhd's subsidiary HICOM Automotive Manufacturer's contribution towards the TIV performance was very critical as it housed the production facilities of several prominent OEMs (original equipment manufacturers) in the country including Mercedes.

He said 2023 had been expected to be a challenging year for the global economy, Malaysia included.

"Nevertheless, we expect the domestic automotive industry to continue to be resilient and will remain a major contributor to the country's economy by 2030," he added.

On the new CKD EQS 500 4Matic, Tengku Zafrul said Malaysia, as one of the leading and more mature electrical and electronic (E&E) manufacturing hubs in Asean, was already taking steps to strengthen its position through policy measures, as well as by leveraging on the existing EV ecosystem and ensuring a solid talent pipeline.

ADVERTISING

All these bodes well for investors looking to help develop a viable EV industry in Malaysia, which will support the nation's target of net zero GHG emissions by 2050.

"To this end, Mercedes-Benz's launch of its first locally-assembled full battery electric car augurs well for Malaysia. It enhances the capabilities of domestic industry and creates a more conducive environment for investments, which will increase the local adoption rate for EVs.

"In addition, this further creates better-paying job opportunities and promotes excellence in Malaysia's EV industry. This directly benefits sub and supplier industries for local content sourcing, hence enhancing Malaysia's overall business, investment and economic prospects."

He added that EV would continue to be the catalyst for the automotive industry as more funds, investments and tax incentives were geared towards the circular economy and green technolog.