



MINISTRY OF INTERNATIONAL TRADE & INDUSTRY

NAP 2020 AND EV

22 March 2022

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STATUS OF AUTOMOTIVE INDUSTRY

GDP CONTRIBUTION



**Yearly average
4% GDP share
(Estimation for the ecosystem)**

TOTAL INVESTMENTS



**RM19.24B Approved Investments
(2014-2020)**

EMPLOYMENT



**More than 600,000 employments
Over 27 OEMs/assemblers
Over 640 Vendors
Over 60,000 after market**

**SALES &
PRODUCTION**



**Between 500,000 – 600,000 units
yearly
(Not including motorcycles)**

EEV PENETRATION



**88.3% TIV 2020
133 models, 289 variants
27 OEMs**

EXPORTS P&C



**RM74.4 billion
(2014-2020)**



BACKGROUND OF NATIONAL AUTOMOTIVE POLICY (NAP)

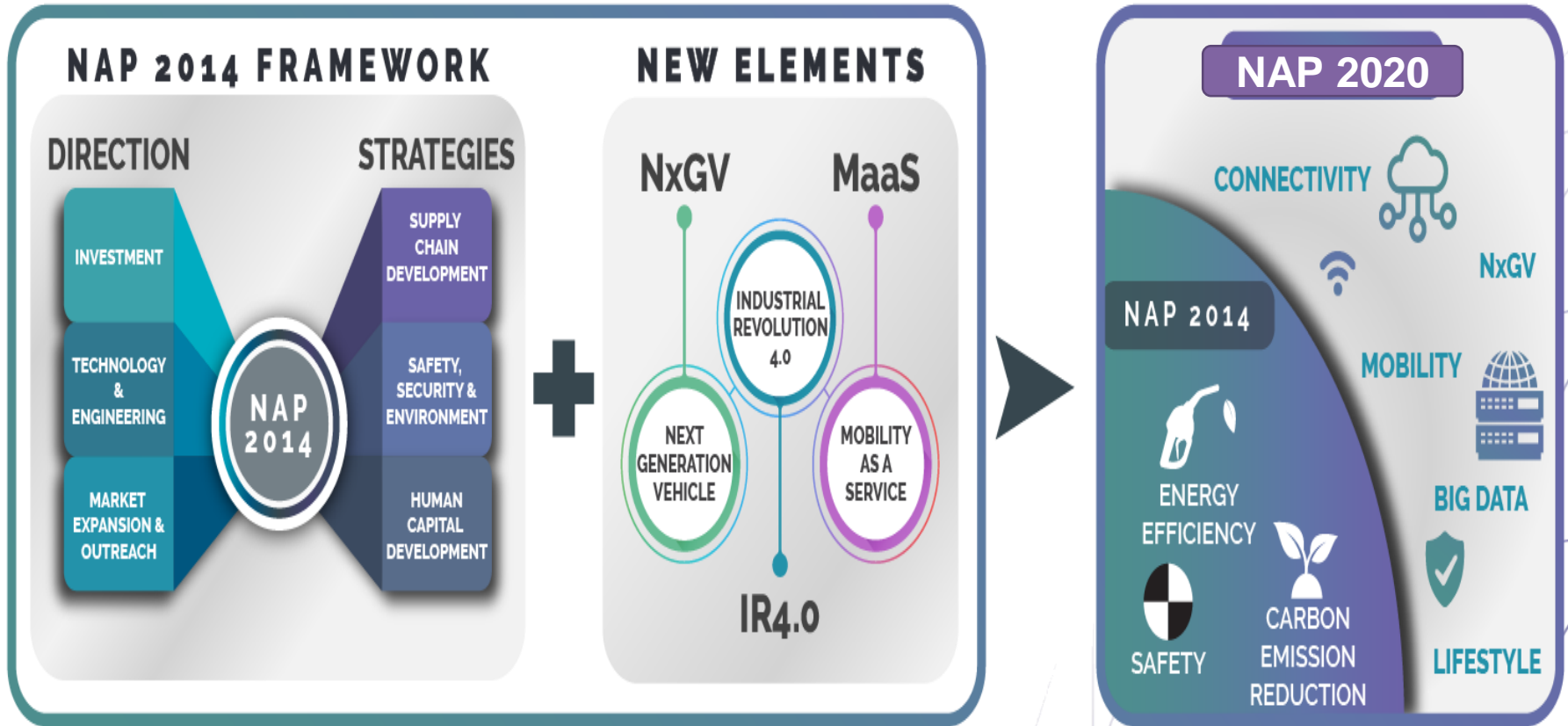


SUPPLY CHAIN INTEGRATION	INVESTMENTS PROMOTION	GREEN AND SUSTAINABILITY	CONNECTED MOBILITY
NAP 2006 (2006-2009)	NAP 2009 (2009-2014)	NAP 2014 (2014-2020)	NAP 2020 (2020-2030)
ADOPTED POLICY	REVIEWED	FOCUSED	ENHANCED
Introduced to transform the domestic automotive industry and integrating it into the increasingly competitive regional and global industry network.	Reviewed to enhance the capability and competitiveness of the domestic automotive industry.	Focused on developing Malaysia as the hub for Energy Efficient Vehicle (EEV)	Enhance Malaysia's automotive industry in the era of digital industrial transformation.

FRAMEWORK OF NAP 2020



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The main objective of the National Automotive Policy (NAP) 2020 is to develop Malaysia as a regional automotive hub for Energy Efficient Vehicles (EEVs) including electric vehicles (EVs) with a focus on the development of NxGV, MaaS and IR4.0



NAP 2020 ON EEV & EV

NxGV (NEXT GENERATION VEHICLE)
 Any vehicle that meets the definition of **EEV CLASSIFICATION** and is enhanced with Intelligent Mobility applications with minimum of **LEVEL 3 VEHICLE AUTOMATION**

FIVE LEVELS OF AUTONOMOUS/ AUTOMATED & CONNECTED VEHICLE (AACV) :

- LEVEL 05 COMPLETE AUTOMATION**
 DRIVED OFF
 You never have to drive anywhere unless you want to.
- LEVEL 04 HIGH AUTOMATION**
 MIND OFF
 Full automation but only in pre-determined conditions.
- LEVEL 03 CONDITIONAL AUTOMATION**
 EYES OFF
 Automation of driving tasks but driver must respond promptly when alerted.
- LEVEL 02 PARTIAL AUTOMATION**
 HANDS OFF
 Basic driving tasks carried out by vehicle but requires human driver to supervise.
- LEVEL 01 DRIVER ASSISTANCE**
 FEET OFF
 Vehicle can provide either steering or braking assist but not at the same time.

LEVEL 3 VEHICLE AUTOMATION
 Technology on how a car is driven

1 EEV CLASSIFICATION
 How the car is powered

ENERGY EFFICIENT VEHICLE (EEV)
 EEV is defined as a vehicle that meets a set of specifications in terms of **CARBON EMISSION (g/km)** and **FUEL CONSUMPTION (l/100km)**. EEVs can include:

- INTERNAL COMBUSTION ENGINE (ICE)
- HYBRID VEHICLE
- ELECTRIC VEHICLE (EV)
- FUEL CELL VEHICLE (FCV)

NAP 2020 prioritizes future preparations for the local automotive industry by encouraging the production of energy efficient vehicles (EEVs) including electric vehicles (EVs) that not only have digital features and smart technology but are energy efficient and environmentally friendly.



EV INCENTIVES

Direct Tax

1. Income Tax exemption on investors for manufacturing/assembly of vehicles and critical components:

- Pioneer Status Incentive of 70% or 100% for a period of 5 or 10 years
- Investment Tax Allowance of 60% or 100% for a period of 5 or 10 years

2. Income Tax Exemption for green technology services

70% for a period of 3 years for:

- EV charging station
- EV infrastructure repairs
- EV maintenance
- EV installation

Indirect Tax

Customized incentives

Import and excise duty exemption up to 100% for EVs and up to 85% for PHEVs

Despite having a comprehensive incentive package at the supply side, investment and EV take up in Malaysia is still low.

There is a call for measures/incentives to stimulate demand side.

EV INCENTIVE PACKAGE UNDER BUDGET 2022



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Full exemption of import duty and excise duty on the importation of Completely Build Up (CBU) type EVs for a period of 2 years until 2023

Full exemption of import duty, excise duty and sales tax on locally assembled EVs or Complete Knocked-Down for a period of 4 years until 2025



100% Road tax exemption for EV vehicles

Individual income tax relief up to RM2,500 for installation, rental, and purchase costs of EV charging facility including equipment hire-purchase and subscription fees.

NON-FISCAL EV MEASURES UNDER NAP 2020



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1 Promote manufacturing of EV through issuance of Energy Efficient Vehicle (EEV) Manufacturing License

2 Develop skilled manpower in the field of EV, telematics and advanced technology through various human capital development programs including NOSS

3 Develop standards for:

- EV charging systems;
- EV powertrain integration system;
- battery recycling and disposal activities; and
- battery swapping and wireless charging technology

4 Develop/Establish EV Interoperability Centre to align the standard conformation, technology and communication protocols as well as harmonizing testing procedures for batteries and interoperability systems

EV TARGETS



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EV Targets are derived from Low Carbon Mobility Blueprint

xEV



15% of TIV by 2030

Charging Facility



10,000 units by 2025:

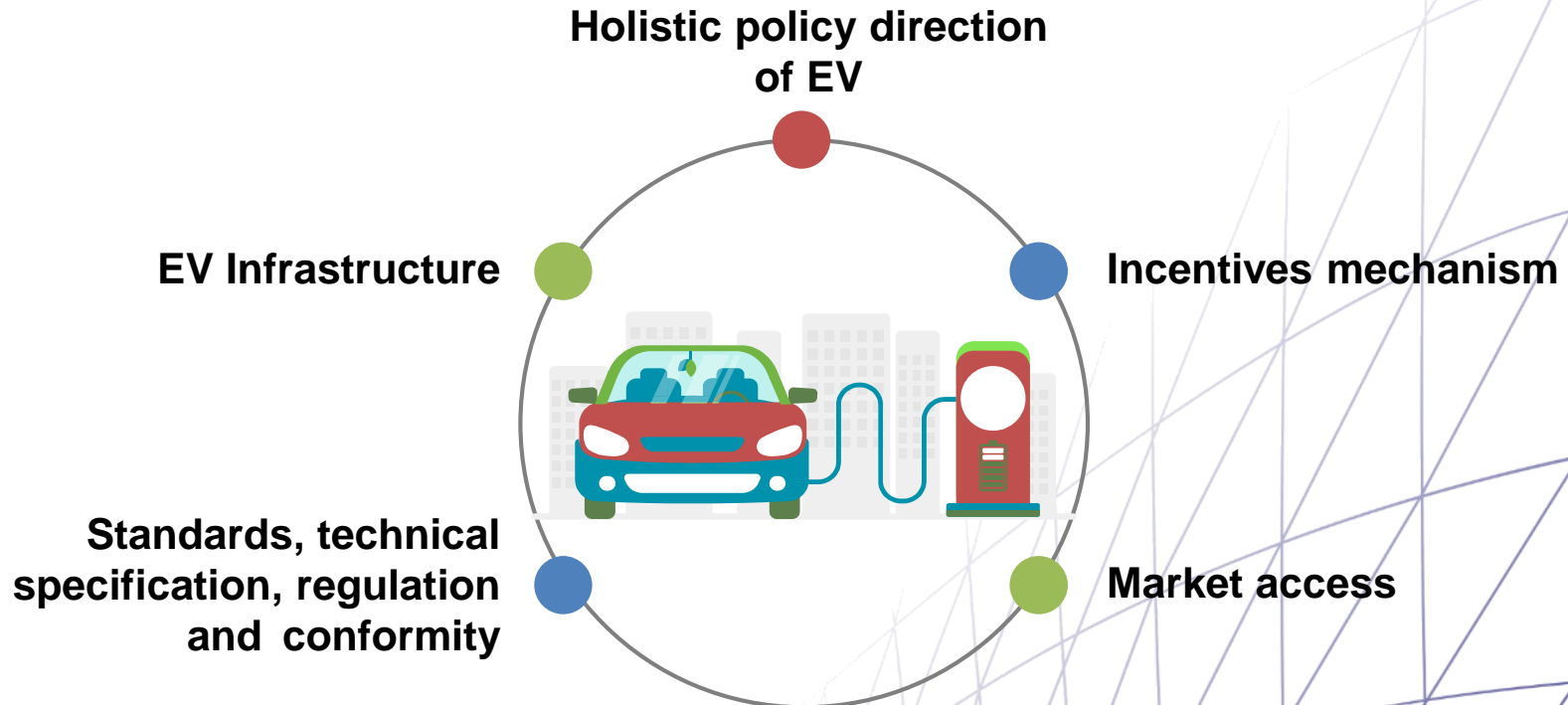
- **9,000 AC**
- **1,000 DC**



ELECTRIC VEHICLE TASK FORCE (EVTF)

The Electric Vehicle Taskforce (MEVT) was established in November 2020 to spearhead the strategic initiative towards the development and deployment of Electric Vehicle in Malaysia which include the followings:

- I. to identify gaps and ratify issues on the existing and/or new policy/initiatives related to development and deployment of Electric Vehicle in Malaysia; and
- II. provide policy recommendation, mechanism and/or specific initiatives together with its timeline on matters pertaining to the overall development and deployment of Electric Vehicle in Malaysia.





Electric Vehicle Eco System in Malaysia

Supporting Government Agencies	Policy & Initiative	Infrastructure	Vehicles	Component Makers
	 	<p>NAP 2020</p> <p>Low Carbon Mobility Blueprint 2021-2030</p> <p>BUDGET 2022</p> <p>NATIONAL TRANSPORT POLICY 2019-2030</p> <p>NANO MALAYSIA ENERGY STORAGE TECHNOLOGY INITIATIVE</p>	 	<p>V O L V O</p>
Education, Research & Technology	 			
Electric Vehicles as a Services Operator	 			
Regulatory Agencies	 			

MITI foresee huge potential growth especially in the area of Mobility as a Service (Maas) and development of critical components.



EV Related Development in Malaysia

Selangor aiming to install 10,000 EV charging stations by 2025 – first 1,000 units expected to be ready in 2022

In Electric Cars in Malaysia, Hybrids, EVs and Alternative Fuel, Local News / By Anthony Lim / 26 November 2021 10:54 pm / 34 comments



Porsche, Shell to set up EV charging stations in Malaysia, Singapore

By NST Business - March 31, 2021 @ 3:58pm



Petronas stations to get EV fast chargers by 1H 2022 in partnership with Mercedes-Benz Malaysia, JomCharge

In Cars, Hybrids, EVs and Alternative Fuel, Local News, Mercedes-Benz / By Jonathan Lee / 25 November 2021 10:57 am / 11 comments



chargEV
BY MGTG

2021 MEMBERSHIP SUBSCRIPTION & WALLBOX INSTALLATION PACKAGE

FREE
FOR BMW & MINI PHEV CAR YEAR MADE IN 2020 & 2021 (T&C applies)

MEMBERSHIP +EXTRA 2 MONTHS RM240 /year

WALLBOX INSTALLATION
BASIC 1-PHASE INSTALLATION
RM1888
exclusive for chargEV members

ENJOY OVER 310 CHARGING STATIONS NATIONWIDE FOR FREE

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chargev@mgtc.gov.my

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2022 Tesla Model 3 in Malaysia, priced from RM289k tax free – PEKEMA aims to sell 500 Tesla EVs per year

In Cars, Local News, Tesla Motors / By Anthony Lim / 6 December 2021 8:29 pm / 0 comments

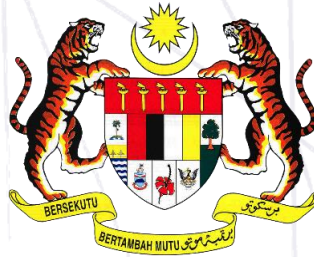


NanoMalaysia inks US\$30mil multi-party MoA with Korean companies to export EV micro-mobility components in Asean

By NST Business - December 2, 2021 @ 6:06pm



Malaysia is gaining traction in EV related investments



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