



**OPENING SPEECH BY
YB DATO' DR. XAVIER JAYAKUMAR,
MINISTER OF WATER, LAND AND NATURAL RESOURCES
AT THE NATIONAL TIN CONFERENCE 2019
AT ISTANA HOTEL, KUALA LUMPUR
ON TUESDAY, 17 DECEMBER 2019**

YBHG. DATO' SERI DR MOHD AJIB BIN ANUAR,
President of the Malaysian Chamber of Mines,
Concurrently Chairman of the Tin Industry (Research and Development)
Board and the Kuala Lumpur Tin Market (KLTM) and President of the
ASEAN Federation of Mining Associations (AFMA);

YANG BERTHORMAT TERENCE NAIDU RAJA NAIDU,
State Assemblyman of Pasir Bedamar, Perak;

YANG BERUSAHA DR. MOHD MOKHTAR BIN TAHAR,
Deputy Secretary General,
Ministry of Water, Land and Natural Resources;

YANG BERUSAHA. EN. KAMAL DARIL
Deputy Director General,
Department of Mineral and Geoscience;

YANG BERBAHAGAI DATO' SRI AHMAD OMAR,
Vice President of Malaysian Chamber of Mines;

Tan Sri, Tan Sri,
Dato' Seri, Dato' Seri,
Dato', Dato',
Distinguished Guests,
Ladies and Gentlemen,

Since YB Dato' Dr. Xavier Jayakumar, Minister of Water, Land and Natural Resources could not be with us all this morning for unavoidable reasons, I will deliver this speech on behalf of him.

Good Morning and Salam Sejahtera.

1. First and foremost, I would like to thank the joint-organisers for inviting me to deliver an Opening Speech in this National Tin Conference 2019. It is indeed an honour for me to be here with prominent global tin industry players, policy makers, academicians, researchers and students. To speakers and guests from overseas, welcome to Malaysia.

2. I would also like to take this opportunity to congratulate the joint organisers, and especially to YBhg. Dato' Seri Dr Mohd Ajib Anuar, for their collaborative efforts in organising this Conference. The theme "*Revitalising the Malaysian Tin Mining Industry*" for this conference is timely indeed, since it is in line with government effort to review the new potential of minerals including tin. I will share with you the Federal Government's current position, especially pertaining to policies and measures to help revitalise Malaysia's tin mining industry forward.

Distinguished Guests, Speakers, Ladies and Gentlemen,

3. Malaysia is blessed with abundance of invaluable natural resources since it is strategically located in the rich Southeast Asia Gold and Tin Belts. Our unique geological settings have resulted in the occurrence of various types of minerals such as tin, gold, iron ore, bauxite, coal, sand and aggregates, to name a few. These minerals can be found in all states in Peninsular Malaysia, Sabah and Sarawak.

4. It is an undeniable fact that tin was a primary source of income to Malaysia during the early days of our nation's development. Together with rubber, tin were the two main pillars that largely contributed to the socio-economic development of our country. Malaysia was once the world's

largest tin producing nation. At its peak in the 1940's, our tin-in-concentrate production exceeded 80,000 tonnes. However, since the global tin market crisis of 1985, Malaysia's annual tin-in-concentrate production has declined significantly.

5. The tin market collapse had caused major closures of Malaysian tin mines. Currently, the country's annual production of tin-in-concentrate is largely attributed to Rahman Hydraulic Tin Sdn. Bhd. in Perak, the biggest open-pit tin mine in the country which has been in operation since 1907. Our country now produces around 3,000 to 4,000 tonnes of tin-in-concentrate, annually.

Distinguished Guests, Ladies and Gentlemen,

6. Malaysia is currently ranked as the world's 7th largest tin ore producing country and at the same time the world's 3rd largest exporter of tin metal. Refined tin from our sole tin smelter, the Malaysia Smelting Corporation Berhad (MSC), is exported to consumers all over the world, and also being used locally in the manufacturing of solder, pewter and tinfoil. Our domestic tin ore production is not enough to feed MSC's tin smelting operation. Therefore, the company has to import some 25,000 to 30,000 tonnes of tin-in-concentrate annually from all over the world to meet its smelting needs.

7. Looking at the vast potential in the upstream sector of the tin mining industry, my Ministry has decided that Malaysia's tin mining industry should be revitalised, and this was announced on 1 May 2019. The announcement was made after taking into consideration several pertinent factors. Firstly, there has been no large scale mining operation taking place in Malaysia in recent years. After the collapse of the global tin

market in 1985, many of Malaysia's tin mines closed down their operations.

8. Secondly, there are substantial primary tin deposits which are still untouched, but no comprehensive exploration having been undertaken over the past 40 years. According to the Department of Mineral and Geoscience (JMG), Malaysia's tin resources throughout the country is estimated at 1.3 million tonnes, worth some RM83.6 billion. Significant potential tin reserves have been located in the states of Pahang, Kedah, Perak, Johor, Selangor, Kelantan and Terengganu.

9. Thirdly, a lucrative tin price averaging some US\$20,000 per tonne was recorded during the early part of this year. Similar with other commodities, the tin price is constantly changing. Currently, the tin price is at the lower spectrum of some US\$16,000 per tonne, primarily due to the trade war between the United States and China. Once the trade war is resolved, many global analysts and traders have forecasted that the tin price will recover to an equilibrium level of some US\$23,000 per tonne.

Ladies and Gentlemen,

10. Tin is widely used in all industries including the construction, manufacturing and energy sectors. It is not only confined to its traditional uses such as tin solder, tinfoil, tin chemicals and pewter, but is increasingly used in new applications, such as renewable energy especially in the manufacturing of solar panels. Another new use is in energy storage for the production of lithium-ion batteries. The usage of tin in the production of lithium-ion batteries is steadily increasing due to strong growth in the manufacture of electric vehicles, primarily in China.

11. Today, the world is gradually adapting to the 5G wireless communication system. High purity tin plays a crucial role in the development of the 5G network. The 5G network which is super-fast with higher frequency and broader bandwidth requires the use of 99.999% purity tin solder to interconnect its various electronic and electrical components to ensure a stable and uninterrupted connection.

Ladies and Gentlemen,

12. Based on the significant potential of Malaysia's tin resources and our long history in tin mining as well as the well-established tin supply chain from the upstream of exploration and mining to midstream of smelting and to downstream of manufacturing tin-based products, I believe that we are on the right track to revitalise and re-energise our tin mining industry forward.

13. In fact, my Ministry had proposed earlier this year to the Prime Minister, YAB Tun Dr Mahathir Mohamad to consider reviving our tin mining industry as an important sector contributing towards enhancing the country's Gross Domestic Product (GDP). The Prime Minister had given his positive consideration, and hence the announcement that my Ministry had made in May this year to revitalise and re-energise Malaysia's tin industry. In furtherance of our efforts to revitalise Malaysia's tin mining industry towards benefitting all stakeholders, it must, however, be undertaken in a responsible and sustainable manner without neglecting the environment, helping conserve the forest and protecting the wildlife. Several developed countries such as Canada and Australia place much reliance on their mineral resource industry to contribute significantly to their respective GDPs.

Distinguished Guests, Ladies and Gentlemen,

14. Before concluding my speech, may I again record my sincere appreciation and gratitude to the joint organisers of this Conference for inviting and giving me the opportunity to address and touch base again with everyone here on the current status of the industry. To all participants, may I wish you successful deliberations at this august event. And with that, may I declare the National Tin Conference 2019 open.

Thank you.