



MEDIA STATEMENT

THE VAPE INDUSTRY CAN HELP MANAGE UNEMPLOYMENT RATES AMONGST BUMIPUTERA GRADUATES

KUALA LUMPUR, 1 March 2024 – The Malaysian Vape Chamber of Commerce (MVCC) today said that the vape industry in Malaysia has great potential to provide employment opportunities for Malaysians and help address the issue of Bumiputera graduate unemployment.

The potential of this industry has been proven in the last 10 years where the vape industry has grown to be valued more than RM3 billion and has provided employment to more than 30,000 human capital.

Based on the 2021 *Study on the Malaysian Vaping Industry* by MVCC, 75% of workers in vape retail and 82% workers in vape manufacturing are Malays, with the majority aged 19-30 years.

Ridhwan Rosli, Secretary General of the Malaysian Vape Chamber of Commerce said, "The vape industry has grown in the last 10 years and through the efforts of local entrepreneurs, it has offered job opportunities to many in Malaysia, especially those from the Bumiputera community."

He who is also a member of the Steering Committee and the Education Reform and Human Capital cluster of the Bumiputera Economic Congress (KEB) added, "In these 10 years, the vape industry is one of the game changers that has transformed smokers. In various countries, it has been recognised as a less harmful product compared to cigarettes, with the capability to help smokers quit smoking."

"This has allowed many smokers to switch to vape and triggered the development of this industry in Malaysia, resulting in job opportunities for the Bumiputera community, and building an industry that is now dominated by Bumiputera entrepreneurs."

Ridhwan Rosli said, this Bumiputera-owned industry can grow further and continue to be an industry that contributes to the development of the economy and human capital in Malaysia.

"According to the Department of Statistics Malaysia, in 2022, 187,800 graduates were unemployed and 70.9% of that were Bumiputera graduates.¹

"With the support of the Government, the vape industry will be able to grow to dominate the local and global markets and this will allow the industry to fill the unemployment gap by offering more job opportunities to graduates and skilled workers," he said after attending KEB 2024 today.

¹ Laporan Survei Tenaga Buruh 2022 oleh Jabatan Perangkaan Malaysia (DOSM) seperti yang disenaraikan dalam <https://keb.ekonomi.gov.my/muatTurun>



KEB 2024, which will take place for three days starting on 29 February 2024 at the Putrajaya International Convention Center (PICC) aims to expand economic distribution and further develop the Bumiputera economy in line with the MADANI economic framework.

He added that the vape industry should not be seen as a sector that is only limited to vape products. There are various related industries, mainly from the electrical and engineering industry which is involved in the manufacturing of vape devices as the main component and also the palm oil industry which provides glycerin as a raw material in the manufacturing of vape products.

"The development and growth of the vape industry will not provide benefits limited to one industry only, but related industries involved will also grow in parallel as a domino effect," he said.

Ridhwan added, that in terms of human capital development, the vape industry developed by Bumiputera entrepreneurs needs to be considered to receive the benefits given to other industries such as entrepreneurship training or skill improvement training. With this, the vape industry and related industries can grow with a high-quality workforce.

Recently, the Control of Smoking Products for Public Health Bill 2023 has also been approved and regulations will be introduced to the vape industry.

"The industry hopes that the regulations introduced will not be too drastic which will hinder the development of the vape industry. The regulations should consider the interests of the Bumiputera community involved and not burden the industry."

It should also be in line with the current development in countries that recognise vape as a less harmful product compared to tobacco such as in the UK where the Government is giving vape products to 1 million smokers in the country as an effort to encourage them to switch to vape.

"The vape industry sincerely hopes that through KEB 2024, the future of the Bumiputera workforce and entrepreneurs involved in this RM3 billion industry will be secured. It is about time this industry is not only regulated by the government but also taken seriously to be given the opportunity to grow."

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About the Malaysian Vape Chamber of Commerce

Established in 2015, the Malaysian Vape Chamber of Commerce (MVCC) is the one and only society related to vape registered with the Registrar of Societies under Malaysia's Ministry of Home Affairs. Our priority is to help make the vape industry in Malaysia be more competitive and structured as a whole. With the help of our dedicated members, we have organised awareness campaigns, community-building events, in-depth training and engagement sessions with government agencies.