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Aggressive drive to get more foreign firms to set up bases here

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MALAYSIA will embark upon a more aggressive effort to attract more foreign companies to set up their operational bases in the country.

National Economic Action Council (Neac) executive director Datuk Mustapa Mohamed said the Malaysian Industrial Development Authority (Mida) would spearhead the promotional efforts.

"A meeting attended by officers from Mida, Ministry of International Trade and Industry, Bank Negara Malaysia, Finance Ministry and representatives from the private sector was held to discuss how best the relaxations can be exploited," he said.

In tabling Budget 2003 on September 20, Prime Minister and Finance Minister Datuk Seri Dr Mahathir Mohamad announced a 10-year income tax exemption to attract more companies into setting up their operational base in the country.

Mustapa was speaking to reporters after closing a seminar on "Understanding Malaysia as an Islamic Country" for religious teachers from the state.

Mustapa, who is Kelantan Umno chief, said what the country was offering were among the best in the world.

He said there were at present only 56 foreign companies with headquarters in Malaysia, hiring about 1,500 local professionals.

"We believe the number is still low because Malaysia has that potential to attract more and hence create more employment for locals," he said.

Besides the liberal incentives, Mustapa said Malaysia had the advantage because of the conducive living condition, peace, good environment, golf courses, low cost of living.

"All these will make Malaysia an attractive place for the corporations to set up their headquarters or regional offices in Malaysia," he said.