

Pua: Don't be economical with truth on FDI
Malaysiakini.com
June 29, 2011

An opposition parliamentarian has urged the government to be forthright in reporting foreign direct investment (FDI) data instead of painting an "inaccurate rosy picture".

The DAP's Petaling Jaya Utara MP Tony Pua criticised the International Trade and Industry Ministry (Miti) for constantly hyping up approved FDI, which is in stark contrast to actual cash inflow.

"If one reviews the numbers over the past 15 years, only RM179.8 billion out of RM298.9 billion in approved investment have been realised. A shocking RM119.1 billion of declared FDI had disappeared without a trace," he told a press conference at the Parliament lobby today.

He was referring to a written reply from Miti that stated the approved and actual FDI figures since 1996.

Pua urged the minister Mustapa Mohamed to explain "the wide disparity" between the approved and promised investments and why these have not materialised.

"Miti has been gloating about FDI recovery and achievements in 2010 and 2011 with RM29 billion and RM11 billion respectively ... This is not the reality."

Citing more recent figures, Pua said the "actual investment numbers are almost shocking".

Last year, the approved FDI was RM29.1 billion, but only RM9.4 billion or 32.3 percent was actually invested.

"If the government argues that the FDI approved in 2010 is still in progress - as we are still only in June 2011 - then the figures are not much better for 2009. In that year, RM22.9 billion was approved, but only RM7.9 billion or 34.3 percent was invested.

"It is hence unsurprising to see that the UN Conference on Trade and Development's 'World Investment Report' often presents a less-than-rosy picture than that presented by the government.

"(This is because) the former looks at the actual investments while the latter only reports approved investments."

Yesterday, Pua asked Miti to clarify the data on the approved and actual FDI figures as these were in conflict with an announcement on the ministry's website.