

Mustapa: Malaysia's FDI to reach US\$10b in 2011
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Foreign direct investment (FDI) inflows to Malaysia are expected to reach US\$10 billion in 2011, surpassing last year's record of US\$9.1 billion.

International Trade and Industry Minister Mustapa Mohamed (left) said the recovering global FDI trends, supported by the government's initiatives such as the Economic Transformation Programme (ETP), would be the key drivers for foreign investments.

"Based on enquiries from people who came to MIDA (the Malaysian Industrial Development Authority) and MITI (the Ministry of International Trade and Industry), we believe there will be a stronger interest this year," he said after launching the United Nations Conference on Trade and Development (UNCTAD)'s World Investment Report 2011 in Kuala Lumpur yesterday.

Present were MIDA chief executive officer Jalilah Baba, UNCTAD resident coordinator for Malaysia Kamal Malhotra and head of investment trends and issues branch of UNCTAD's Division on Investment and Enterprise Masataka Fujita.

Mustapa said that in the first quarter alone, total FDI into this country amounted to US\$3.7 billion, which was equivalent to 40 percent of FDI inflows to Malaysia whole of last year.

With the second half performance forecast to be better from the first half, boosted by the implementation of ETP projects, the US\$10 billion mark seemed achievable, he said.

Last year, total FDI inflow to Malaysia hit an all-time high of US\$9.1 billion, an increase of 536 per cent from US\$1.43 billion in 2009, due to better economic conditions after the financial crisis in the previous year.

Published by UNCTAD, the World Investment Report 2011 provides a comprehensive and authoritative source of data and analysis on global trends in investment, enterprise development and related issues.

Titled 'Non-Equity Modes of International Production and Development', the report also forecasts that global FDI will grow five percent this year to reach the pre-crisis level of US\$1.4 trillion-US\$1.6 trillion.

The trends are expected to continue and reach the US\$1.9 trillion mark in 2013, equivalent to the peak of global FDI in 2007.

- Bernama