

## **Najib says China's investments in Malaysia set to expand further**

**MalaysiaKini.com**

**Nov 1<sup>st</sup>, 2016**

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Economic and trade relations between Malaysia and China have grown from strength to strength, and the latter's investments in the country are set to expand further, said Prime Minister Najib Abdul Razak.

He said last year, China invested US\$2 billion (RM8.4 billion) in Malaysia and expects the figure to increase based on the uptrend in investments over the past five years.

"China was Malaysia's largest trading partner in 2015, a position maintained since 2009. Total bilateral trade in 2015 was US\$100 billion," he said at the Round Table Meeting with 30 Chinese captains of industry in Beijing today.

The event was organised by the International Trade and Industry Ministry (Miti) and the Malaysian Investment Development Authority (Mida) and also present was the minister, Mustapa Mohamed.

Najib is on a six-day official visit to China from Monday and during his stay, Malaysian and Chinese companies will sign more than 10 agreements, involving among others, investments in port construction, gas pipe laying and water desalination plants, e-commerce, solar panel manufacturing and construction.

Putrajaya and Beijing will also sign the Framework Financing Agreement and Engineering, Procurement, Construction Contract for the US\$13.10 billion (RM55 billion) East Coast Railway Line (ECRL) project today.

The ECRL is set to be China's single largest investment in Malaysia.

Najib, who is also finance minister, said the growing economic and trade relations between Malaysia and China has been encouraged by the healthy and close political and business exchanges at the highest levels.

He said Malaysian companies, such as the IOI Group, Parkson, and KLK, have also considerably expanded their operations in China.

"We share China's view that the best way to face the ongoing global economic headwinds is to increase cooperation, and create mutually beneficial and sustainable growth through trade and investments," he added.

Najib said as China increasingly engaged with friends and neighbours, through the Go Abroad strategy, the One Belt One Road initiative and multilateral agreements such as the Asean-China Free Trade Agreement, Malaysia has also benefited from China's prominence on the world stage.

He said the Malaysian economy remains stable and on a positive trajectory, with the Gross Domestic Product growth projected to be four to 4.5 percent this year, and up to five percent in 2017.

"With our strong economic fundamentals, Malaysia continues to be a very attractive destination for foreign direct investments (FDI)," he added.

Najib said in the first half of 2016, approved FDI has already reached 83.3 percent of the total approved for the whole of last year.

He said with Malaysia's highly diversified economy, strong manufacturing foundation, developed infrastructure and connectivity, proactive government policies alongside a sound legal system, there is enormous potential for further cooperation with China.

"Malaysia can also be China's gateway for Asean and beyond," he told the meeting.

- *Bernama*

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