

**Miti: FDI still flowing in  
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Malaysia is still competent in luring more foreign investments this year despite stiff competition, International Trade and Industry Minister Mustapa Mohamed said today.

He was confident both foreign and domestic investments would continue to increase in Malaysia given the government's transformation announced in January and the various steps taken to strengthen the economy.

"In terms of competitiveness, we admit we are operating in a stiff environment but this does not mean foreign investments in the country has declined sharply," he said in reply to a question from Opposition Leader Anwar Ibrahim (PKR-Permatang Pauh) in the Dewan Rakyat.

Earlier, Anwar asked Mustapa to explain why foreign investments into the country had dropped compared with the situation in other countries and the reasons for Malaysia's discouraging performance.

Mustapa said although foreign direct investments in Malaysia fell to RM22.1 billion in 2009, against RM46.6 billion in 2008, the country was still able to attract huge investments from Coca Cola which is investing RM1 billion over the next 15 years.

"Among the reasons cited by some investors like Hong Kong-based Sun Bear Solar and Aero Spirit which chose Malaysia as their investment destination was its political stability and clear government policies.

"Besides, other steps taken by the government like the establishment of the Special Taskforce to Facilitate Business or PEMUDAH in 2007 had also helped Malaysia emerge as a choice investment destination.

Mustapa also said a decline in foreign investments in Malaysia was not unique as the global economic crisis had resulted in a massive loss of US\$700 billion throughout the world.

"Several neighbouring countries were also not spared. Singapore saw a decline of 19.5 per cent in foreign investments and Thailand experienced a drastic drop of 54.3 per cent," he added.

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