

Govt Committed To Ensure Conducive Investment Climate, Says Idris Jala
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KUALA LUMPUR -- The government is committed to the Government Transformation Programme (GTP) and Economic Transformation Programme (ETP) to ensure the investment climate is as conducive as possible, said Minister in the Prime Minister Department, Idris Jala.

Idris, who is also chief executive officer of Performance Management and Delivery Unit, said the government was ready to facilitate investments, especially by the private sector, by providing various initiatives, including removing bureaucratic obstacles and providing fast-track approvals.

"A critical component of the ETP is positioning the private sector as the engine of growth for the economy.

"Under the ETP, the private sector is expected to contribute 92 per cent of the US\$444 billion total investment to ensure sustainable growth," he said in his keynote address at The Edge Billion Ringgit Club & Corporate Awards 2011 Gala Dinner here yesterday.

He said out of the US\$444 billion, 73 per cent of the investment needed to come from domestic sources.

"This is absolutely critical to ensure that we are not totally at the mercy of global trends and shocks," he said.

Idris said there was room for improvements in the country's economy, considering a significant savings-to-investment gap of 12 per cent, which was higher than that of developed countries, and the capital market which has a compound annual growth rate of 11 per cent from RM717.5 billion in 2000 to RM2.033 trillion last year.

"This indicates that we have the financial muscle to fuel this growth," he said.

On the ETP, he said, the country's economy was experiencing a silent transformation since the introduction of the programme on Oct 25 last year.

Private investment overtook public investment for the first time in several years, growing by 6.6 per cent in the first quarter and foreign direct investment has more than doubled, he said.

Bursa Malaysia, he said, hit six record highs from January to July this year, a performance that no other bourses in recent history have ever experienced.

The market capitalisation of companies on the bourse grew by 21 per cent since August last year, and it has been upgraded to Advanced Emerging Market from Secondary Market in June by the London FTSE, he said.

The Billion Ringgit Club, which comprises companies with market capitalisation or revenue of over RM1 billion for the last financial year, has to date, 185 companies, or 19 per cent, of the total number of listed companies on Bursa Malaysia.

(Bernama)

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