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Najib: Foreign investors stand to reap huge benefits from investing in Malaysia

MILAN • Foreign investors stand to reap tremendous benefits from investing in Malaysia by using the country as a strategic gateway to tap the huge potential arising from the Asean Economic Community (AEC), said Datuk Seri Mohd Najib Razak.

The prime minister said foreign investors need "to think of Malaysia not just as a destination on its own, but also as a gateway to Asean — the Association of South-East Asian Nations."

Speaking at the Malaysia Day celebration held at the Expo Centre at Expo Milano 2015 on Saturday, he said as a single market, Asean is the seventh-largest economy in the

world and home to a consumer market of 625 million people with a combined gross domestic product (GDP) of Over US\$2 trillion (RM8.83 trillion).

Najib, who is also the chairman of Asean, said: "Asean economies are posting average annual growth of more than 5% and per capita income averaging at US\$3,800, leading to a growing middle class with rising disposable income."

He said Asean is already a magnet for foreign direct investment and an emerging driver of today's global economy.

"But it has been estimated that if intra-Asean trade is boosted from 24% to 40%, the incremental impact on the Asean economy could be

US\$2.5 trillion annually — a truly remarkable expansion."

Najib said the grouping is due to establish the Asean Community this year, a key aspect of which is the AEC.

"And this has been designed to create a single market and a production base in Asean, with a larger vision of a deeply integrated economic region where population size, combined GDP and shared aspiration will create an entity capable of competing with the world's largest economies."

He said the AEC, taken together with the network of Asean Free Trade Agreements with dialogue partners such as China, India, Japan, South Korea, Australia and New Zea-

land, served as an added incentive for businesses to invest in Malaysia.

"The prospect for growth is even more exciting as momentum builds toward the conclusion of the Regional Comprehensive Economic Partnership Agreement, and possibly, the Trans Pacific Partnership Agreement.

"Both of these will establish Malaysia as a gateway to even bigger and more vibrant markets," said Najib.

The prime minister said Malaysia stands ready to welcome closer relations with Italy and the European Union — be it in people-to-people connectivity or in trade and investment. — *Bernama*