

Following up on China trip

I REFER to *Sunday Star's* page one headline yesterday, "RM170bil & counting".

According to the report (online at bit.ly/star_trade), 19 trade commitments were signed between Malaysia and China's business communities - definitely a successful trip for PMX Datuk Seri Anwar Ibrahim, Malaysia's 10th Prime Minister.

It is time now for the Malaysian government and business community to work together to turn those memoranda of understanding into business deals that will have a real and positive impact on the nation.

First, we must create a business-friendly environment for foreign investors, as it is one of the key things that such investors look for when deciding where to invest.

The Malaysian government can take several steps to create such an environment. For example, it can streamline the process of obtaining business licenses, reduce bureaucratic red tape, and simplify the process of starting a business in Malaysia.

Additionally, the government can also work towards improving the country's infrastructure, including transportation, communications, and logistics, which will make it easier for foreign investors to do business in the country.

Secondly, the government must ensure that there is a clear legal framework in place that protects the rights of investors and provides a stable business environment. This can be achieved by implementing laws and regulations that are transparent and consistent, and that clearly define the rights and



It's a deal: Anwar (centre) in Beijing on April 1, at one of the many exchanges of memoranda of understanding during his trip to China. - Bernama

obligations of investors.

The government should also ensure that the legal system is impartial and efficient in resolving disputes between investors and other parties.

Thirdly, the government should consider reviewing the tax regime and provide tax incentives. Taxation is another critical factor that foreign investors consider when investing in a country. The Malaysian government can take steps to reform the tax regime and provide tax incentives to foreign investors. For example, they can consider revising corporate tax rates to be more competitive with neighbouring countries.

Additionally, the government can also consider offering tax incentives to companies that invest in research and development or that create jobs in certain crucial sectors.

Fourthly, Malaysia must overcome the current human resources shortage. The availability of skilled human resources is another critical factor in the consideration of foreign investors.

Malaysia has been facing a shortage of skilled labour for some time now, and the government must take steps to overcome this problem. One approach is to invest in education and training programmes to equip Malaysians with the skills needed to work in industries that foreign investors are interested in.

Additionally, the government can also consider relaxing visa requirements to attract skilled workers from other countries to Malaysia.

Fifth, the government must consider creating a cross-departmental coordination agency. This will help to ensure that invest-

ments are maximised and that the actions mentioned above are effectively implemented.

This agency can be responsible for coordinating efforts among various government departments to ensure that the country is taking a unified approach towards creating a business-friendly environment, reforming the tax regime, and overcoming the human resource shortage.

Additionally, the agency can also be responsible for liaising with foreign investors to ensure that their concerns and needs are being met.

Sixth, we must work to improve transparency and reduce corruption. The government should take steps to improve transparency in all aspects of government, including business and investment-related transactions. Additionally, it should take a zero-tolerance approach towards corruption, which will go a long way towards building investor confidence.

Malaysia must position itself as an attractive destination for foreign investment and drive sustained economic growth. Let's keep the momentum from Anwar's successful trip going and work together to create a real impact on the Malaysian economy.

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The Malaysian branch of the China-Asean Legal Cooperation Center is a registered NGO that promotes Malaysia as a legal hub for Asean and Malaysian lawyers in China and Asean.