

M'sia-South Korea FTA to be finalised next year

SEOUL: The Malaysia-Korea Free Trade Agreement (FTA) will be finalised next year, with both countries committed to speeding up any stalled negotiation, says Prime Minister Datuk Seri Anwar Ibrahim.

He said the agreement is expected to be signed during the return visit of South Korean President Yoon Suk-yeol to Malaysia.

According to Anwar, who is on a three-day official visit to South Korea, the negotiations had been delayed since 2019 due to the political instability that hit Malaysia at the time, but the domestic business and political scenario now is better.

"We (Anwar and Yoon) discussed this (yesterday) morning that we will simplify and speed up the negotiation process related to the FTA. When he (President Yoon) comes to Malaysia next year, we will sign and finalise the FTA," he said at the Malaysia-Korea Business Forum 2024 here.

"The government is determined to make whatever changes necessary to make Malaysia attractive (to businesses and investors) with the right policies, appropriate incentives and sufficient infrastructure.

"This includes training and professional talent with technical knowledge. These issues are being addressed. Therefore, you can see the (increased) development rate and there is capacity to



Meeting of minds: Anwar and Yoon posing for photographs during their meeting at the Presidential Office in Seoul.
— Reuters

attract new industries," he said, reported Bernama.

The Malaysia-Republic of Korea Business Forum 2024 was attended by 147 local companies, including 60 manufacturing companies, 78 services, retail and distribution companies and nine business associations.

On another matter, both countries have reiterated their commitment to fostering an investment climate aligned with environmental, social and governance (ESG) principles.

The announcement was made

during a bilateral meeting between both leaders yesterday.

In a joint statement following their meeting, the leaders highlighted the importance of advancing research and development initiatives and promoting technological exchanges between businesses in their respective countries.

"The focus areas include Fourth Industrial Revolution technologies, the digital economy, the halal ecosystem, and the green agenda," the statement said.

The statement also underscored

the shared commitment to expanding trade, investment and economic collaboration.

"Both sides agreed to expedite the bilateral Free Trade Agreement (FTA) negotiations, which resumed in March 2024, to conclude them by 2025," it said.

The leaders pledged to secure mutually beneficial outcomes for businesses in both nations, including small and medium enterprises (SMEs).

Through the FTA, they are committed to enhancing cooperation in trade and investment and

emerging sectors such as the digital economy, green economy and bioeconomy.

Furthermore, both sides recognised the importance of deepening cooperation on economic security, including cooperation in areas and issues such as supply chain resilience.

Noting that collaboration between SMEs and start-ups could reinforce innovation and national competitiveness, both sides agreed to provide further assistance to boost cooperation and exchanges between SMEs and start-ups.

Meanwhile, having commemorated the 40th anniversary in 2023, both sides recognised that the Look East Policy (LEP) has contributed to enhancing the economic relations between the two countries since its inception in 1983.

Recalling the adoption of the Guiding Document of the Second Wave of the Look East Policy (LEP 2.0) in 2014, both sides reaffirmed their commitment to working together to maximise the potential of LEP 2.0 in strengthening economic and trade relations.

"Both sides further recognised the significant role of the Economic Cooperation Committee (ECC) in strengthening economic cooperation under LEP 2.0 and reaffirmed their commitment to hold ECC meetings regularly," it said.