

Najib outlines 10 reasons why Malaysia right place to invest

Bernama

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NEW YORK: Prime Minister Datuk Seri Najib Tun Razak outlined 10 compelling reasons why Malaysia is the right place to invest, saying that now is the time to do so as the economy was heading upwards.

Addressing US investors at "Invest Malaysia New York 2011" forum at the New York Stock Exchange on Tuesday, May 18 the prime minister said the country had economic strength in its diversity, citing a multi-ethnic nation made up of Malays, Chinese and Indians.

"If we are continue to compete in the new global economy we must make the most of the talents of all our people and not just some of them...reaching out to Malays, Chinese and Indians alike and uniting in the spirit of 1Malaysia to enable each to play their part.

"For just as America's great melting pot has always been a source of strength, I am equally clear that there is strength in Malaysia's diversity," he told the forum attended by 363 potential investors.

Secondly, Najib referred to the enterprising spirit driving the country and pointed out to the 10 captains of the most successful companies, including Air Asia, the world's best low cost carrier, who he had brought along on his mission to New York.

Axiata, he said, has over 150 million mobile subscribers serving the needs of over 1.5 billion people across 10 countries and Malayan Banking Bhd and CIMB Bhd, two of Asean's top five banking groups, were also making waves in the region.

"They are just some of the many Malaysian companies that are raising the game in Asean and beyond," he said of his third reason why American investors should come to Malaysia.

Najib also told the audience that Malaysia's rich historical links with China, India and the Middle-East meant the country was able to engage with new and emerging centres of economic growth and simultaneously develop its ties with the West.

This, he said, was the reason why more than 5,000 companies from over 60 nations have set up base in Malaysia, adding that it's home to more than 160 operational headquarters, 209 international procurement centres, 19 regional distribution centres and these numbers were set to grow.

"I don't think there is any country which is very comfortable dealing with anyone. Invest in Malaysia, you'll get the whole of Asia," he said.

Fourthly, the prime minister said Malaysia would continue to liberalise key services besides the liberalisation of 27 service sub-sectors two years ago.

Najib said the services sector, excluding government services, would grow more than seven per cent annually until 2015, raising its contribution to Gross Domestic Product to 61 per cent.

Saying the days of "government knows best" was over, he added that it was for this reason

that he created the Government Transformation Programme or GTP.

"Its aim is two fold - to make the government's delivery of public services more effective and to move Malaysia forward to become an advanced, united and equitable society with high standards of living for all," he said of his fifth reason.

Although it was not easy, Najib said the GTP was already producing real results, citing the new "My Procurement" website which had radically increased the level of transparency in government leaders where details of successful bidders for the 3,500 government contracts were now listed online.

The prime minister said the sixth reason was that the Malaysian economy was undergoing a transformation and cited the 12 national key economic areas and 131 entry points projects (EPPs) identified to drive economic growth and development across various sectors.

In just six months, he said the government already launched 72 projects and initiatives across 54 separate EPPs, while total investment committed, so far, stood over US\$35 billion and was expected to create almost 298,000 jobs over the next 10 years.

As for his seventh reason, Najib disclosed that a record number of foreign direct investments (FDI) flowed into Malaysia and this was evident from the US\$10 billion worth of investments which were approved last year, an increase of almost 32 per cent.

The United States was the biggest foreign investor in Malaysia, he said, adding that the FDI growth pattern looked set to continue in 2011.

Najib's eighth point touched on the increasing presence of foreign funds in Malaysia's capital market, pointing to Bursa Malaysia's sterling performance on Jan 7, 2011, when the key market barometer, FBM KLCI, hit 1,572.21 points, the highest level since 1998.

Najib cited the prediction made by Barclays Capital which said the upgrading of Malaysia's capital market status from "secondary" to "advanced emerging", next month, would attract up to US\$3 billion in new capital inflow and improve Malaysia's place in international indices.

Elaborating further, Najib said investors should make the most of Asean, which was home to more than 600 million people, while Gross Domestic Product growth was expected to average six per cent, annually.

"If Asean were a single country, it will be worth US\$2 trillion, and rank as the ninth largest economy in the world and third largest in Asia.

"I have given you nine compelling reasons why Malaysia is the right place to invest. My tenth point is quite simple - now is your opportunity to get in on the ground floor," said Najib.

Citing the great industrialist Henry Ford's radical decision to pay his workers more and the many storms the company had weathered to become a automobile giant, Najib said he was determined to push through changes the country needs to drive its transformation.

"We are determined to develop and adapt and, when you invest in Malaysia's transformation programme you will now get over US\$440 billion in opportunities," he said. – Bernama

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